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THERE is no more common reply made to the solicitor for accident insurance than that the occupation of the person solicited is such that he is unlikely to meet with an accident, and therefore does not need insurance. A list of accidental claims recently published is a sufficient commentary on this. For instance, what chemist would expect to be injured by falling down an embankment, and yet that is what caused an accident to a chemist. A grocer was bitten by a dog, and an auctioneer, instead of knocking himself down with his own hammer, was bitten by a horse. A coal merchant had a fall while dancing, and a tailor slipped on an orange peel. One clerk was sprained while acting in charades and another was run over by a van, while a poor draper was stung by bees. A solicitor was shot in the eye, and a surveyor cut his toe nails. All of these seem unlikely accidents to befall the persons to whom they came, but the records of accident insurance are full of such unlikely things. As it is the unexpected which usually happens, accident insurance was set on foot to meet the unexpected.

THE intelligence comes to us through the daily newspapers that capitalists in a small Southwestern city are organizing a fire insurance company with $500,000 capital. The capital stock is to be one-fifth or one-tenth or some other percentage, paid in, and stockholders' notes, drawing, say, three per cent. interest, are to be given for the balance. These capitalists are encouraged by the example of another company which has a paid capital of $20,000, and last year paid all losses and expenses and had left between sixteen and seventeen thousand dollars. This net profit of over eighty per cent. on the capital is stimulating the formation of new companies. Counting cash on hand at any time as net profit is a very pretty thing for children and financial fools, but it hardly commends itself to business men. Losses have to be paid by insurance companies out of premiums, and it is not safe to count premiums as profits until the policies have expired for which they are written. The other kind of underwriting is described under the generic term of wild cat.

THE forthcoming early retirement of Cozens Smith from the management of the affairs of the Imperial insurance company is announced. Smith's methods have been responsible for the unpopularity of the Imperial among American managers and agents, and the removal of the incubus would promise better relations between the home office and the force here were not the announcement of retirement accompanied with the statement that "for years to come his advice will be largely relied upon in shaping the policy of the Imperial." We trust for the Imperial's sake that the case is not as bad as that. A more hopeful view of the saving clause in the announcement is that it was inserted to let Mr. Smith down easy. It is hardly credible that he would voluntarily retire if there are "years to come" in which he can manage a company, and the inference is that his services, like those of Mr. Dargan, of Atlanta, are no longer desired by his superiors. When Mr. Smith's power is at an end there will be a clear field for Mr. Belfield to improve the footing and popularity of the Imperial in this country. Of course he is under constraint now and forced to appear as approving of such proceedings as those against Mr. Dargan, but it may be confidently expected that when he has a free hand—always supposing that Cozens Smith does not summarily lop off his official head before such an event is possible—he will heal all breaches, reverse the policy of sulky isolation which has characterized the Smith administration the past twenty years and put the Imperial abreast in attractiveness with the best of the foreign companies doing business in the United States.

ANOTHER of the Tarrant cases in process of litigation had a judicial construction from a court of the first instance last Saturday and started on its journey to the higher courts with a black eye, this time for the plaintiff. This was a case involving the question of liability of the company for loss by explosion alone, fire not injuring the insured premises. Justice Josephs, in the Seventh District Court of Manhattan, held as follows:

> This is purely a question of law. It is indisputable that the loss was caused by the explosion, though the explosion itself may have been caused by fire. Neither fire nor heat caused the damage, and it (the building) would have suffered no injury had it not been for the explosion. The explosion may be traceable to the fire, but the fire did not cause the damage, and under the exceptions contained in the provisions of the policy it did not include losses by an explosion which was in itself the result of fire.

The title of the case is Jones against the London and Lancashire insurance company. The policy of the plaintiff contained the usual clauses and conditions of the standard policy. As to losses by explosions it expressly provided that the insurer "shall not be liable for loss caused directly or indirectly * * (unless fire ensues, and in that event for the damage by fire only) by explosion of any kind." The decision of the civil justice is logical, and there can be no doubt that it must be sustained by courts of appeal. In a similar case the United States Circuit Court of Appeals at Chicago last week held that "the language of the contract is clear that if any part of the building shall fall, except as the result of fire, all insurance on building or contents shall immediately cease."

A CONVENTION whose deliberations will be of unusual importance to life insurance will be held at Amsterdam,

in Holland, in September next. It will be the second International Congress of Medical Directors of Life Insurance Companies. The program, which has been put forth in advance by the secretary of the Congress, Dr. Poëls, of Brussels, embraces some sixteen subjects upon which papers will be read by life insurance medical examiners of Paris, Amsterdam, Copenhagen, Gotha, Brussels and Leipsic, besides the consideration of a universal blank to be adopted in medical examinations and an effort to formulate the conditions on which it would be likely to be practicable to extend life insurance to invalids and under-average lives. Assurance on female lives, the admissibility of tropical lives, albuminuria, aural diseases, consumption, appendicitis and hernia in connection with accident insurance are to be discussed, as is, according to the program, "trembling with regard to life insurance," a subject that may in the absence of further explanation by the medicos be open to a variety of interpretations by laymen. We can join with our valued contemporary, the *Medical Examiner and Practitioner*, in the expression of the regret that the names of none of the great American authorities in medico-insurance appears in the published list of participants in the Congress. Neither are the British represented. Whether the two leading life insurance countries are left out by design or inadvertence we do not know, but there will be no question that the deliberations of the Congress will be attended with interest in both countries, and we hope that both will be well represented at Amsterdam.

Facts and Opinions.

THE month of July opened with two destructive pier fires in Boston, the first of which was prevented from becoming a conflagration only by favorable conditions of the wind currents and superb work by the fire department. It occurred Monday morning, and destroyed Pier 5 of the Hoosac Tunnel Docks, in the Charlestown district, excepting the foundations. There is insurance on the building aggregating $82,000, of which probably 75 per cent. will be called upon for indemnity. On the contents the Boston and Maine Railroad has $105,000 under common carrier's liability, the railroad syndicate $7,000, and local offices a considerable amount of insurance in small parcels. The contents loss may reach $40,000, of which scarcely 15 per cent. will attach to the line carried by the Boston and Maine, and the total insurance loss from this fire is estimated at $100,000. The second of the fires adverted to happened Tuesday night, and consumed the plant of the Metropolitan Coal Company at South Boston, causing a loss of about $200,000, but as $100,000 of this is due to the burning of some $100,000 worth of uninsured coal, the liability of the insurance companies involved is not likely to exceed $100.000. The insurance attaching to buildings, etc., of the Metropolitan Coal Company foots up $54,200, and on its horses and vehicles there is $103,500 insurance. Some comment was made because of the absence of any fireboat at this fire, one of the two boats being detained at the Hoosac Tunnel docks to prevent the possibility of another outbreak, and the other boat being laid up for repairs. The committee to adjust the South Boston loss includes Messrs. Gayle T. Forbush, of the German-American; Walter Adlard, of the Continental; J. W. Grover, of the Phœnix; E. J. O'Neil, of the Imperial, and G. A. Furness, of the Liverpool and London and Globe.

AT the sixty-fifth annual meeting of the shareholders of the Northern Assurance Company, held at Aberdeen, Scotland, June 14, the chairman, Sir David Stewart, alluding in his address to the fire insurance business, and particularly to that in the United States, said:

In the year which we are specially considering to-day, the fire premiums reached £752,310, being the highest figure attained in the history of the company. Previously our largest fire premium income had been attained in 1895, the closing year of last quinquennium, when we touched £732,690. The tendency in the intervening years has been on the whole rather downwards, a circumstance which our kind critics may attribute to our care in the selection of risks. However this may be, we have now again reached a maximum, and in the meantime have done well for our shareholders. On the present occasion our losses amount to £417,189, just 55½ per cent. of the premiums, so that, after deducting charges and the increased sum required by our usual provision of 40 per cent. for current risks, we have earned a profit of £58,797. Our loss ratio for the year is 3 per cent. below the accumulated experience of the company for the sixty-five years of its existence. Our heaviest loss was in the Hull-Ottawa fire, which, as no doubt is within the recollection of most of you, happened in April, 1900. Here we suffered only to the extent of £6,700, a figure really moderate considering the amount of our engagements in the West. Reverting to the item of fire premium, I may inform you that the increase is well distributed over the branches of our business generally at home and abroad, our Asiatic account being the only one which shows a decline. Perhaps it is only right that I should add, as United States business is regarded with a little suspicion by some on this side of the Atlantic, that more of our increase on this occasion comes from that section than from any other. This, however, is not the result of undue anxiety on the part of our local managers to swell their revenues, but it rather arises from the natural growth of the country. Our American business, I need hardly assure you, is carefully considered and selected. We have excellent local managers in America, and our general manager, Mr. Wilson, exercises a valuable supervision over their work, and spent more than two months last winter in personal investigations on the spot.

A SWORN confession was filed in court at Fort Scott, Kan., on June 29 by Dr. J. B. McGuire, of Juno, Tex., who was arrested as an accomplice of Dr. Thomas O'Toole, of Fort Scott, in attempting to defraud fraternal societies of $8,000 life insurance. O'Toole was actually laid in the grave by McGuire in the presence of D. H. Cox, a San Antonio barber, and he crawled out under a pile of brush in one end of the grave while earth was being thrown in by McGuire. Cox did not see O'Toole get out. The men had planned to have him there as a witness, but, upon warning from McGuire, he kept some distance away from the grave to prevent catching the small-pox, of which disease O'Toole was said to have died. O'Toole took out the insurance in lodges at Fort Scott, and after a month or two started for Texas. At Juno, Tex., according to the confession, he met McGuire and revealed the plan to him. They hired Cox as a companion for O'Toole on a trip across the country by wagon from San Angelo to Sonora, 75 miles from a railroad, 50 miles out, in a sparsely settled country. O'Toole feigned sickness and said he thought he had small-pox. Cox was sent back to San Angelo after Dr. McGuire. Upon his arrival the latter pronounced the disease small-pox. After two days O'Toole pretended to die.

As announced in our issue of last Saturday, the Hartford Fire insurance company has reinsured the entire business in the United States and Canada of the American Fire insurance company of New York. The contract was formally closed on Friday of last week between Manager Mallett, of the Manchester Fire, which owned the American, and President Chase, of the Hartford. The American will be liquidated, thus putting the Manchester at its home office in practically the same position as if the New York company had never been bought. The *Journal of Commerce* says:

The business thus acquired by the Hartford Fire insurance company is of excellent quality. The American was organized in 1857, but reinsured its risks to the Phenix of Brooklyn in 1895 and reorganized. In 1897 the Manchester secured control of the company. Its capital was reduced to $200,000 in 1895, but was subsequently increased to $400,000. It has $225,500 deposited with the New York Insurance Department under the "safety fund law," and deposits aggregating $48,725 in Georgia and Virginia, and $105,000 in

Canada for the protection of the policy-holders. The company is licensed to operate in all the States and Territories except Alaska, Arkansas, Arizona, Indian Territory, Mississippi, Nevada, New Mexico and Oregon. In 1882 it reinsured the Importers and Traders of New York; in 1890 the Prudential of New York; in 1890 the Germania of Memphis, Tenn., and in 1891 the East Tennessee of Knoxville.

In the United States Circuit Court at Atlanta, Ga., June 27, Judge William T. Newman agreed to grant a permanent receiver and permanent injunction in the case of Otto Kelsey, of New York, receiver for the Manhattan Fire insurance company, against Lipscomb and others. Judge Newman's order, which is now being drawn by the attorneys in accordance with his directions, will appoint Receiver Kelsey receiver for the company's assets in Georgia; will restrain all creditors of the company from bringing suits against it in the State courts, or from prosecuting suits which have been pending; will instruct the receiver to notify Judge Lumpkin, of the Superior Court at Atlanta, before whom the litigation began, of his appointment in New York and by the Federal Court at Atlanta, and to ask him to modify his former temporary order as to injunction and receiver, and when that is done the receiver will be directed to apply to State Treasurer R. E. Park for the $10,000 deposit of the company which is in his possession. Receiver Kelsey is directed to give bond for $20,000 for the specific performance of his duties so far as the assets in Georgia are concerned.

Some weeks ago the Travelers insurance company made inquiry of the Insurance Commissioner of Connecticut as to the legal right of mutual life insurance companies to issue policies at stock rates. Mr. Scofield expressed himself as interested in the question and intended to take it up after the Legislature had adjourned, but up to the present writing had not been heard from in that respect. About the same time a leading representative of the Travelers in Massachusetts, of his own accord, and without knowledge of the action of the home office, addressed a question of similar purport to Insurance Commissioner Cutting, whose opinion was that there was nothing in the Massachusetts law to prevent such issuance. The question of the right of the mutual companies to issue stock rate policies was not for him to decide, as no Massachusetts company was doing that thing. He was willing, however, if an example each of stock rate and participating policies issued by mutual companies were furnished him, to submit them to the Attorney-General for an opinion. And that is as far as the matter has progressed.

Commenting on the adoption by the New York Fire Insurance Exchange of the warehouse schedule plan by President Moore, of the Continental, to rate listed storage stores and contents, the *Vigilant* says:

The new method is to apply the Mercantile Schedule to every listed storage store in this port, to deduct therefrom a certain percentage in order to reduce the charge to an equality with single tenant risks and form a basis rate for contents. The addition will apply to the basis rate. It is supposed that the average basis rate will be about 25 cents, but to prevent any undue, excessive basis rate it is wisely provided that for one year no basis rate shall exceed 35 cents. After one year each storage warehouse must be charged according to its own merits. The effect of the 35 cent maximum is that the first form before quoted cannot rate higher than 75 cents and the second will be limited to 60 cents. The excepted articles outside of these forms may, however, pay as much as $1 or more, according to hazard.

The manager of the National Fire Extinguisher Company, at Chicago, William Grimshaw, has been arrested on a charge of opening a letter addressed to George E. Hibbard, whom he succeeded as manager of the National. Hibbard, who claims to have been frozen out by a stock deal, and is suing to regain his rights, left orders to have his mail forwarded to him, and started the Niagara Fire Extinguisher Company. Grimshaw is charged with opening a letter to Hibbard from Deere & Co., at Moline, saying that certain apparatus sent to them was all right and inclosing a check. Grimshaw wrote and threatened them with suit for infringement, thus giving himself away.

The report of the directors of the Royal Exchange Assurance Company of London for 1900 states that the profits transferred to profit and loss account from the fire, sea and accident departments amounted to £68,977 in all, to which has to be added £50,388 for interest not carried to other accounts. After payment of a dividend of 14 per cent. and of expenses not charged to other accounts, the balance at credit of the account amounts to £722,073, as against £713,243 on December 31, 1899. The assets have increased from £4,591,395 to £4,683,894. A dividend of £10 per cent., tax free, for the half year ending at midsummer, 1901, has been declared.

There was not a gallon of water in the public reservoir at Huntington, W. Va., and all the city fire engines were out of repair, when a fire started in the heart of the city on Tuesday morning and burned almost without obstruction until $200,000 worth of property was destroyed, including the Adelphi Hotel. Fire engines sent from the neighboring towns were almost as useless as the local affairs, and numerous prostrations among the firemen were caused by the warm weather. The cause of the fire was a defective electric wire on the fifth floor of the hotel. Huntington is a good place for the fire insurance companies to keep away from.

The proposition to strike out or to amend that portion of the non-occupancy and vacancy clause referring to care of building was discussed by the New England Insurance Exchange last Saturday. No conclusion being reached, the executive committee was directed to confer with the executive committee of the Boston Board, to the end of reaching a harmonious conclusion on the matter. The Exchange will probably adjourn for the summer after next Saturday's meeting, except to hold an interim meeeting on August 10, and will open the fall series on September 14.

The Transatlantic Fire of Hamburg, of which Adolph Loeb & Son were United States managers, on Monday reinsured all of its United States business except in the metropolitan district, Pacific Coast, and Cook County, Ill., in the Commercial Union of London. Sumner Ballard was the intermediary in the negotiation of the reinsurance. The Transatlantic had been writing quite freely up to a year ago. At that time it changed to the other extreme and commenced a drastic policy of canceling out many classes and rejecting new offerings which it did not fancy.

The testimony of Judge Cary, Western manager of the German-American, in the Kansas litigation, confirms the original impression that all that the prosecution could get from the judge to make it appear that the Western Union is a trust would not help them much. It is now certain that the anti-trust cases will not come up before September. If the anti-trust charges can be made to hold, it has been figured, by a liberal construction of the statutes, that fines amounting to $30,000 might be imposed upon each company.

Insurance Commissioner Carr, of Maine, has relicensed the Mutual Reserve Fund Life Association, and in a letter to the *Journal of Commerce and Commercial Bulletin* gives his reasons as follows: "The differences between this department and the Mutual Reserve Fund Life Association of New York relating to the character of the company's policy contracts issued in this

State having been satisfactorily adjusted, the company has this day been relicensed to continue business in Maine."

A Boston dispatch received as we go to press says that the Provident Savings Life yesterday filed a petition in the Massachusetts Supreme Court to compel the Insurance Commissioner to value its policies according to their terms. Forms of policies accompany the petition, and the statement is made that $240,000 is taken out of surplus by the commissioner. A hearing has been set down for next Tuesday.

An advance in premium rates on lumber property in the Albany street section has been ordered by the Boston Board of Fire Underwriters. The minimum rate at present is $1.50, but under the revision nothing in that district will be rated less than 2 per cent. The district affected has for many years produced losses to an extent that has forced the conclusion that the present rates are quite insufficient.

At Milwaukee on June 26 Marcus Aurelius Fee, formerly State agent for the Union Casualty and Surety Company of St. Louis, with headquarters in Milwaukee, was found guilty in the municipal court of embezzling $308,61 of the company's money. The case was on trial nearly a week, the defendant making a counter claim against the company.

Officers of the supreme lodge of the Knights of Pythias say that a sensation may be expected at the special session on Tuesday, July 9. One story is that the lodge officials suppressed its true condition. Another, that when the trouble with their securities first began, they paid $3,500 to a former insurance superintendent of Illinois for a favorable report.

The Wisconsin Insurance Commissioner on June 26 dismissed the complaint made against A. Lorenze, of Milwaukee, by H. B. Locote, of Tomah, charging him with violating the insurance law by offering him a rebate of 20 per cent. on his policy. The commissioner found the evidence insufficient to sustain the complaint.

The New York Supreme Court has sustained the Erie Fire of Buffalo on its second contract, which reinsured all of the term business of the Manhattan Fire insurance company. The trial as to the first contract is in progress. The decision removes the impairment of the Erie and gives it a satisfactory surplus.

On July 1 W. L. King began as assistant Western manager of the Queen, and was succeeded as examiner for the Western department of the National of Hartford by Dean H. Dresser, formerly in the office, but now assistant State agent for Ohio. Mr. Dresser expects ultimately to return to his field.

The fire loss in Boston during May last, as reported by the protective department, aggregated $132,938, of which $37,212 on buildings and $85,364 on contents was covered by insurance. The May fire loss of the city in 1900 was $155,171.

The annual meeting of the Wisconsin Field Club will be held on Tuesday, July 9, at Green Lake, Wis. The executive committee has sent out circulars urging all Western managers to attend and to have their field men present.

The trip up the Chicago River in a fireboat, in order to allow the insurance men to become acquainted with the new chief of the Chicago fire department, W. H. Musham, has been set for July 11.

The Home of New York has escaped the numerous broom corn losses in Illinois, but in spite of that has put the stock on its prohibited list on the general experience.

The local agents at St. Paul have secured the retention of George W. LeBrande as inspector of the local compact office.

The Union Surety Company of Indianapolis has been incorporated with a capital stock of $250,000.

Personal

Agency Appointments.

Citizens of St. Louis: Thomas J. Lasher, of New York, will represent the company in New Jersey and the suburban territory outside of Manhattan and Brooklyn.

Eagle Fire: J. M. Lockey & Co., Leominster, Mass.

Erie Fire of Buffalo: Lewis & Frear, metropolitan district managers, also Westchester County and all of Long Island.

Equitable Life: John P. Caskin, Boston, inspector for Massachusetts, Rhode Island, New Hampshire, Maine and the Maritime Provinces of Canada. Mr. Caskin was hitherto the company's inspector at Louisville, Ky., in which capacity he is succeeded by Allen E. Bonair, of New York.

German Alliance: Fred. S. James & Co., Chicago, Ill., additional agents.

German-American: S. H. Connor, Manchester, N. H.

Hanover Fire of New York: G. L. Myers, of Little Rock, general agent for Arkansas.

Hanover, New York: G. L. Myers, special agent, Little Rock, Ark.

Home Life: F. A. E. Marsh, Lynn, Mass.

Norwich Union: Prentiss & Viall, Reading, Mass.

Orient of Hartford: Bales & Hogsett, Kansas City, Mo., succeeding Tribble & Pratt.

State Mutual Life of Worcester: George R. Griswold, of Omaha, State agent for Iowa.

Traders of Chicago: C. W. Cartwright, of Minneapolis, special agent for Minnesota and Wisconsin.

United States Casualty: C. S. Dinmir & Co., Chelsea, Mass.

Westchester: H. C. Davis & Co., Haverhill, Mass.

Mr. West Pollock, United States manager for the St. Petersburg insurance company of Russia, and for many years one of the most prominent fire underwriters of New York, died early on Tuesday morning at his residence in Brooklyn from heart failure, probably induced by the extreme heat. Mr. Pollock had been a sufferer from rheumatism for some time and had recently been confined to his home. His death coming so unexpectedly was a shock to the entire fire insurance community of New York, in which he was very popular. Mr. Pollock was a native of the city of New York, in which he was born May 9, 1849. He had therefore just passed his fifty-second birthday. He was educated in the public schools and entered the fire insurance business when but thirteen years old as an office boy in the New York agency of Ezra White, who was afterward the first United States manager of the North British and Mercantile insurance company. Mr. Pollock was with this company until 1883, when he accepted the assistant secretaryship of the Niagara Fire of New York. He was afterward promoted to secretary. In 1896 he returned to the North British and Mercantile, taking the position of assistant manager of the United States business. This he resigned in 1899, and in January, 1900, he became manager for the St. Petersburg and formed a partnership agency, which took the local representation of the Caledonian, Caledonian-American and Potomac of Washington. Mr. Pollock was a member of the committee on surveys of the New York Board of Fire Underwriters. He leaves a wife, son and daughter. The funeral services took place on Wednesday at the family residence in Brooklyn.

Col. Simeon Toby, whose retirement from the insurance editorship of the New Orleans *Daily Item* we recently announced, would be the best man in Louisiana for State fire marshal, should the Legislature at its next session adopt a fire marshal law, as most of the progressive States are now doing. Colonel Toby has experience, energy, industry and honesty, his long acquaintance with the fire insurance business would insure an intelligent administration of the office, and in the enforcement of the law against incendiarism this fine old Confederate soldier would be a terror to evildoers.

Col. "Tige" Nelson was to read the Declaration of Independence on the Fourth of July at patriotic exercises by the executive committee of the Kentucky and Tennessee Board of Fire Underwriters at Estill Springs, according to the *Insurance Field*. The same paper avers that he would make a speech at the exercises on "Proper Rating as the True Foundation of National Greatness."

Manager Mallett, of the Manchester Fire, who has just consummated the reinsurance of the business of the American Fire in the Hartford Fire, has started for Chicago and the Pacific Coast, where he will inspect the Manchester's business, returning by the way of Canada for the same purpose there. He expects to sail from New York for home on July 20.

Mr. Harry B. Houghton, the Pacific Coast representative of the Ætna Life insurance company, died at San Francisco June 29, aged thirty years. Death was caused by a clot of blood on the heart. Mr. Houghton was a brother of Mrs. Morgan G. Bulkeley, wife of the president of the company.

Mr. Benjamin G. Ackerman, the senior member of the New York agency firm of Ackerman, Deyo & Hilliard, died on Sunday at Centre Moriches,

Long Island, N. Y., from Bright's disease, complicated with heart trouble, aged forty-nine years. He has been a prominent New York fire underwriter for many years.

Mrs. Mary E. Seitz, a successful woman agent of Atchison, Kan., gives the Royal the biggest fire insurance business secured by any company in the city and more business than any other agent the company has in the State.

Insurance Commissioner Stephen W. Carr, of Maine, is a candidate for the Republican nomination for Governor of that State at the election next year.

Mr. Thomas Emley Young, F. I. A., actuary of the Commercial Union Assurance Company of London, has resigned.

Miscellany.

Annual Meeting of the Royal Insurance Company.

The annual general meeting of the shareholders of the Royal insurance company was held in Liverpool June 18 with Mr. Henry H. Hornby in the chair. The directors reported the fire premiums in 1900, after deducting re-insurances, as £2,078,-298, and the net losses as £1,240,161. Deducting agents' commissions and all management expenses, the surplus on the fire business carried to profit and loss amounted to £124,848. The chairman, in speaking of the fire business of the company in 1900, said in his address:

Beginning with the all important question of the fire department, it is a matter of satisfaction to your directors that this shows an appreciable improvement on the preceding year, and though the result cannot be called brilliant, still, having regard to the general condition of fire insurance business which has prevailed for some time past, they think it may be considered as fair, the balance carried to profit and loss being £124,849, as compared with £57,818 in 1899. It will be seen that our premiums show an increase of £50,000 over those of that year, partly due to better rates and partly to the natural increase in our business. The only fire of the nature of a conflagration during the year was the Ottawa disaster, to which I referred at our last meeting, by which the company paid losses to the extent of £37,000, or £2,000 less than the figure I gave then. * *

I now come to the last and very important paragraph in the report which refers to the provisional agreements which have been entered into for the purchase of the businesses, assets and good will of the Kent Fire, United Kent Life and Lancashire (Fire and Life) insurance companies. The necessary legal formalities are not yet completed, and in the case of the United Kent Life and Lancashire companies the approval of the Court of Chancery has still to be obtained. I need not assure you that these agreements were not entered into until your directors had satisfied themselves, after most thorough and careful examination, as to the desirability of securing these businesses, and also as to the terms proposed. The conclusion they came to was that the terms were equitable as between the companies, and that the transactions will prove in every way satisfactory to the Royal. The Kent Fire, which is an old company, having its headquarters at Maidstone, was established in 1802, and transacted a limited business of a very select and desirable character. The company, though perhaps not a prominent one here in Liverpool, occupies a leading position in the South of England, more particularly in Kent and the home counties. The United Kent Life, though a separate institution, may be regarded as the life department of the Kent Fire, in view of the intimate relations which exist between the two companies. It also has its headquarters in Maidstone, was established in 1824, and has transacted a limited but profitable business.

The third company which we have agreed to take over—the Lancashire of Manchester—is, no doubt, well known to everyone present, and although it has of late years fallen upon troublous times it has always held a leading position among the British insurance companies. By agreement with this company we have already obtained relief from portions of their business which we do not desire to retain, and I may specially mention that, not wishing to extend our business in the United States, their risks there have been reinsured, and consequently we have no further liability in connection therewith. The agreements with all these companies provide that the consideration payable by the Royal for the transfer of their respective businesses should consist partly of Royal shares and partly of cash, but the carrying out of these terms will not involve an important addition to our capital account.

We think, therefore, that we may congratulate ourselves on having secured a large and valuable addition to the volume of the company's home premiums, derived from risks of the highest class, and business which, having hitherto yielded satisfactory results, should in future materially increase the profit earning power of our fire department. The shareholders will, no doubt, like to know how matters have progressed in the present year, and, on the whole, they are running fairly satisfactorily. Losses continue to be numerous and severe, but the Royal may be said to have escaped with what may be regarded as somewhat less than its full share, notably in the case of the great conflagration at Jacksonville. We estimate our interest in the Antwerp fire, which occurred a fortnight ago, at from £20,000 to £25,000.

There is, we think, an indication that matters are improving in the United States. Owing to the enormous area of that country, and to the large number of fire insurance companies competing for business there, there is considerable difficulty in bringing about concerted action with the object of an insistence on adequate rates. Of late, however, there has been a more general disposition among the companies, both British and American, to co-operate with a view to obtaining such rates and other desirable changes.

President McCall's Mid-Year Greeting to the Agents of the New York Life Insurance Company.

President's Office,
346 Broadway, New York, July 1, 1901.

To All Agents, Greeting:

I write on the first day after the closing of our records for June to congratulate the force of producing agents. You have secured, in round numbers, 14,194 applications, covering $33,608,570 in new insurance, at the date of this communication, as the result of your June work. These figures, when added to the applications of the year 1901 to May 31, make a total of 83,520 applications, covering $189,100,958 in new insurance, applied for during the first six months of the year. Compared with the first six months of last year the increases are 8,879 in number of applications, and $21,170,207 in amount of insurance. I salute and honor the force that produces such results—the men behind the applications.

I have not appealed in vain; I never have, to you. A million or more a day for every day of the month fixes our standard for the remaining months of the year. Are you equal to the task? Your president, who knows you best, has not the slightest doubt of it. Now, then, for July—month of memorable and independent achievement! It may appear to some that I have selected what should be a time of rest to urge our tireless staff to continued efforts; but the traditions of the time do not suggest a halt in our work—rather a girding of ourselves for greater achievements.

The heights of great men reached and kept
Were not attained by sudden flight;
But they, while their companions slept,
Were toiling upward in the night.

While others sleep we must be wakeful and active. I urge you on while your courage and ambition are high. It is a great and humane task which the members of our Nylic family have set for themselves. It admits of no completion! the building must be continuous and sustaining; the superstructure can never be complete, but our allotted parts in the rearing of it must be finished within a time—we know not how brief! The continuance of the work will be for others who are yet unborn, but while our day lasts we may so build that our work will endure when lives are but a memory.

Grateful I am, and shall ever be, for your generous responses to my appeals in the past. I know many of our agents give their best efforts without urging; of others I must plead a knowledge of their abilities as an excuse for a special call to diligence when the weather suggests a relaxation of all effort. All that makes life insurance necessary goes on as before, and some of the most striking illustrations of its value will occur during the present "vacation season." Watch for them and use them, and all will be well.

I take advantage of this present opportunity to express my additional obligation to our agents for the masterly way in which they handled the stamp tax question. The tax—now happily at an end—has, practically, been without cost to the

company, owing to its collection by you from the new policy-holders. We have saved for our old policy-holders over $400,000 by our requirement in this particular, although, of all the companies, we stood alone in the determination to collect the tax from the members entering after the passage of the law, and not to pay it out of our treasury. The result obtained is an additional and forceful evidence of what may be accomplished by unity of action between the executive officers and the men in the field. Very truly yours,

JOHN A. MCCALL, President.

The New Fire Marshal Law of the State of Washington.

The following act establishing a State fire marshal was adopted by the Washington State Legislature at the session of 1901. It is chapter 162 of the acts of 1901:

An act to establish the office of fire marshal and to prescribe the duties and powers of the State fire marshal.

Be it enacted by the Legislature of the State of Washington:

SECTION 1. The deputy insurance commissioner shall be ex-officio fire marshal of this State, and shall receive for his services the compensation hereinafter provided for. All necessary forms, circulars and blanks, together with such reports as may be required by the provisions of this act, shall be furnished at the expense of the State.

SEC. 2. The chief of the fire department of every city having a paid or organized volunteer fire department, the city marshal or chief of police of every incorporated town or city having no paid or organized volunteer fire department, and the justices of the peace outside of incorporated towns or cities shall be ex-officio deputy State fire marshals within their respective jurisdictions. They shall investigate the cause, origin and circumstances of every fire occurring within their respective jurisdictions by which property has been destroyed or damaged, and especially make investigation as to whether such fire was the result of carelessness or design. Such investigation shall be begun within two days, not including Sunday, of the occurrence of such fire, and the fire marshal shall have the right to supervise and direct such investigation whenever he deems it expedient or necessary. The officer making such investigation of fires shall forthwith notify said fire marshal, and shall within one week of the occurrence of the fire furnish to the said fire marshal a written statement of all the facts relating to the cause and origin of the fire, the value of the property destroyed and the amount of insurance, if any, carried thereon, and such other information as may be called for by the blanks provided by the said fire marshal. The State fire marshal shall keep in his office a record of all fires occurring in the State, together with all facts, statistics and circumstances, including the origin of the fires, which may be determined by the investigation provided by this act. Such record shall at all times be open to the public inspection.

SEC. 3. The said State fire marshal shall, when in his opinion further investigation is necessary, take or cause to be taken the testimony on oath of all persons supposed to be cognizant of any facts or to have means of knowledge in relation to the matter as to which an examination is herein required to be made, and shall cause the same to be reduced to writing, and if he shall be of the opinion that there is evidence sufficient to charge any person with the crime of arson or the crime of incendiarism, he shall cause such person to be arrested and charged with such offense, and shall furnish to the prosecuting attorney of the county in which the offense was committed all such evidence, together with the names of witnesses and all the information obtained by him, including a copy of all pertinent and material testimony taken in the case.

SEC. 4. The State fire marshal and deputy fire marshals shall each have the power of a trial justice for the purpose of summoning and compelling the attendance of witnesses before them or either of them to testify in relation to any matter which is by the provision of this act a subject of inquiry and investigation. Said State fire marshal and deputy fire marshals may also administer oaths and affirmations to any persons appearing before them or either of them, to testify in relation to any matter which is by the provision of this act a subject of inquiry and investigation. Said State fire marshal and deputy fire marshals may also administer oaths and affirmations to any persons appearing as witnesses before them, and false swearing in any matter or proceeding aforesaid shall be deemed perjury and shall be punished as such. Said State fire marshal and his subordinates shall have authority at all times of day and night, in the performance of the duties imposed by the provisions of this act, to enter upon and examine any building or premises where any fire has occurred and other buildings and premises adjoining or near the same. The State fire marshal and the deputy fire marshals, upon complaint of any person having an interest in any building or property adjacent to the complainants, shall have the right at all reasonable hours, for the purpose of examination, to enter into and upon all buildings and premises within their jurisdiction. Whenever any of said officers shall find in any building or upon any premises combustible material or inflammable conditions dangerous to the safety of said building or premises, they shall order the same to be removed or remedied, and such order shall be forthwith complied with by the owner or occupant of said building or premises; provided, however, that if the said occupant or owner shall deem himself aggrieved by such order he may within three days appeal to the State fire marshal, and the cause of the complaint shall be at once investigated by the direction of the latter, and unless by his authority the order is revoked, such order shall remain in force and be forthwith complied with by said owner or occupant. Any owner or occupant of buildings or premises failing to comply with the orders of the authorities above specified shall be punished by a fine of not less than $10 nor more than $50 for each day's neglect.

SEC. 6. Any officer referred to in Section 2 of this act who neglects to comply with any of the requirements of this act shall be punished by a fine of not less than $25 nor more than $100.

SEC. 7. The deputy fire marshals shall receive a salary of $2.50 per day for the time actually spent in investigating and reporting upon fires occurring within their jurisdictions. All claims for compensation to deputy fire marshals shall be examined by the State fire marshal, and if found correct, shall be certified by him to the State auditor, who shall draw his warrant upon the State treasurer, who is hereby directed to pay said warrants out of moneys herewith appropriated.

SEC. 8. For the biennial term ending March 31, 1903, there is hereby appropriated for the per diem salary of deputy fire marshals a sum not exceeding $2,000, payable as provided in Section 7 of this act.

SEC. 9. The State fire marshal shall submit annually on the 1st of January a full and accurate report to the Governor of this State, giving a detailed statement of his official acts and proceedings in connection with the duties made incumbent upon him by the provisions of this act.

Florida Law Prohibiting Clauses Antagonistic to the Valued Policy Law.

The *Insurance Field* says that a meeting of managers was held in Atlanta last week to discuss the new Florida regulation governing the application of the State's existing valued policy law, and adds:

It was the consensus of opinion that it will no longer be possible to attach a three-fourths value clause to policies in Florida. In consequence this practice will be discontinued. The question of interference with the "insurable value" clauses used in that State was thoroughly discussed. The following clause, in use there in policies covering buildings, will not be interfered with by the operation of the new regulation, which makes void a policy that has anything in it conflicting with the valued policy law:

The value of the building herein described is stated by the insured to be $——, and the insured and the insurer hereby fix the total amount of insurance to be carried thereon (including this policy) at $——. Attached to policy No. —— of the ——— insurance company, to comply with act of the Legislature of the State of Florida, regulating the issue of policies by fire inurance companies, approved May 13, 1899.

That section of the bill which prohibits the use of clauses antagonistic to the valued policy law reads:

Whenever any such corporation, association, firm or individual writes in, or attaches to, any policy of fire insurance on buildings or structures, any provision or condition conflicting with the provisions of chapter 4677 of the laws of Florida, approved May 30, 1899, entitled "An act to regulate contracts of insurance of buildings and structures in this State, to fix a measure of damage in case of loss, and to prescribe a rule of evidence therein"; and complaint thereof is made to the State Treasurer by the policy-holders, the State Treasurer shall forthwith revoke all authority of license for the transaction of any kind of insurance business within this State conferred upon any such insurance company, association, partnership, firm or individual, under the provisions of this sub-chapter, and shall withhold therefrom any new certificate of authority until a new policy is issued to the complaining policy-holder without such obnoxious provision or con-

dition, and the State Treasurer shall also forthwith cause notice of such revocation of authority to be published in some daily or weekly newspaper published in the city of Tallahassee or Jacksonville for at least one week, and during the time such authority or license remains so revoked it shall be unlawful for the company, association, partnership, firm or individual holding such revoked certificate of authority, or any of its agents or officers, to issue or renew any policies of insurance, take any risks or transact any business relating to insurance, except such as is absolutely necessary in closing up its affairs in this State.

The Insurance Commissioner of Wisconsin States His Reasons for Revoking the License of the Mutual Reserve Fund Life Association.

The open letter of the Minnesota Insurance Commissioner, giving his reasons for his recent action in the matter of the Mutual Reserve Fund Life Association, has been followed by the publication by the Wisconsin Insurance Commissioner of a letter to the president of the association on the same subject. It is as follows:

MADISON, Wis., June 27, 1901.

Frederick A. Burnham, President Mutual Reserve Fund Life Association:

MY DEAR SIR—I have read your communication to me of recent date, which has been published by you for the purpose of conveying the impression that the Commissioner of Insurance of Wisconsin acted hastily in his refusal to longer permit your company to transact business in Wisconsin.

You, however, ignore entirely to inform the public that you and your company for weeks had notice of the proposed examination, and that if it had been necessary for you to secure the consent of your board of directors, there was ample time for your board to have acted upon the expressed intention of the Commissioner of Insurance of Wisconsin.

The many complaints and requests for information concerning the financial standing of the Mutual Reserve—the provisions of the recent by-laws adopted by the board of directors—the delay in the payment of claims, together with the for months continued charges in insurance journals against the officials of your company, made it necessary in the opinion of the commissioner that there should be a thorough examination made, and in this demand I have complied strictly with the laws of this State.

Section 1,968, Statutes of 1898 of Wisconsin, provides: "When the Commissioner of Insurance shall deem it expedient so to do, he shall in person, or by some one to be appointed by him for that purpose, examine into its affairs and conditions, and it shall be the duty of the corporations, *its officers* or agents to cause its books to be opened for inspection, etc."

Section 1,955, Statutes 1898, provides: "If any such corporation shall violate or fail to comply with any provision of the law applicable thereto * * it shall be the *duty* of the said commissioner to revoke any and every authority, license or certificate granted to such corporation or any agent thereof to transact business in this State."

You will notice that when the Commissioner of Insurance deems it expedient to examine it becomes the duty of the officers to turn over the books for inspection, and that upon the refusal of the officers so to do, it becomes the *duty* of the Commissioner of Insurance to revoke any and every authority of the company to transact business in the State.

When the Mutual Reserve was admitted to do business in the State of Wisconsin it became subject to all the insurance laws on the statute books, or enacted thereafter, if it desired to continue business in the State.

It is not within the province of the officers of a company or its board of directors to decide as to the necessity of an examination; the responsibility for such action has been vested in the Commissioner of Insurance of the State, when, in his opinion, the interests of the citizens of the State may seem to require it; nor is the commissioner able to find any provision which places the selection of the examining force in the hands of the officers of the company.

This department has a precedent sustained by two courts of this State for the action of the commissioner.

In your communication you make no mention of my letter addressed to you, dated April 18, 1901, which has remained unanswered, wherein you were notified that this department contemplated making an examination and that I would communicate with the Insurance Commissioner of Minnesota, for the purpose of making a joint examination by both departments; also my telegram to you of May 31, sent after Mr. Wolfe's first visit to your office, in which you were notified that unless he was admitted at once the license of the company would be revoked. Immediately upon his notification to this department that your vice-president had refused to turn over the books for examination, I lost no time in revoking the license. There surely can be no complaint as to haste on the part of the commissioner of this State.

Your license was revoked after the receipt of a telegram from Mr. Wolfe, dated May 31, the day of his first visit to your office, which telegram was received at this department on the morning of June 1. The telegram conveying the revocation of the license was forwarded from this department at 10:30 o'clock a. m., on June 1, before Mr. Wolfe's third visit to your office, which I knew nothing about.

Respectfully yours,

EMIL GILJOHANN,
Commissioner of Insurance.

Notification by the Mutual Reserve Fund to the New York Insurance Department of a Special Assessment.

President Burnham has addressed the following communication to Superintendent Hendricks, of the New York State Insurance Department:

PRESIDENT'S OFFICE,
MUTUAL RESERVE FUND LIFE ASSOCIATION,
NEW YORK, June 28, 1901.

Hon. Francis Hendricks, Superintendent of Insurance:

DEAR SIR—Under date of July 1, 1901, the Mutual Reserve Fund Life Association proposes to issue a special call upon its members holding policies or certificates under which the cost of the insurance is provided for by assessment, such special call being for the amount of a single ordinary bi-monthly assessment or call.

It has seemed proper, therefore, that I should advise you of this purpose and of the reasons for our action, in order that you may be prepared to answer such inquiries as may be made concerning this call by members or others interested.

The purpose of this special call is to provide for the earlier payment of death claims than is possible in the case of post-mortem assessment insurance provided for by calls at intervals of two months, based on approved claims, as has been the practice of the association hitherto. Under this practice, with the time involved in the preparation and presentation of proofs, their examination and approval, and the ordering of an assessment or call for approved claims, at stated intervals of two months, a sufficient length of time prior to the issuing of the same in order to prepare the notices thereof, it necessarily follows that several months must elapse between the date of death and the payment of a claim, and as a necessary incident that the association must at all times have on hand claims in the various stages between notification of death and payment, amounting to at least two or more calls.

It is the judgment of the management of the association that this practice should be changed, and that the time between the date of the receipt of proofs and the payment of a claim be reduced to the minimum.

Further, at the instance of the association, an amendment to the insurance law of this State has been adopted, permitting, under certain conditions, the association's re-incorporation as a mutual level premium company.

It is the further judgment of the management of the association that before taking measures for such reincorporation the amount of outstanding death claims should be reduced to the minimum, so that the association, upon effecting such reincorporation, may thereafter conform to the usual practice of level premium companies to approve and pay death claims upon receipt of satisfactory proofs.

There can be no question as to the association's legal right to make this special call, for the reason that every certificate or policy affected thereby contains, as required by law, a safety clause provision, enabling the calling of extra premiums or assessments or the increasing of the same sufficiently to pay its loss claims in full, where the contract or statutory provision requires full payment.

To the reduction of the amount of outstanding death claims every dollar of the proceeds of this special call will be devoted, and while the desirability of the end sought to be accomplished must be conceded and prove of great benefit to the members

and the association alike, it will in the end render the cost to the members of their insurance no more than under the former practice, for the reason that in the end the members themselves must provide the means for the payment of all death claims, while provision for earlier payment should enhance the value of the insurance to every member.

It is of especial importance that the members should understand that this is a special call only, and will not interfere with or increase the amount of the regular bi-monthly calls, which will be made at the stated bi-monthly periods as heretofore.

If there is any further information I can give you upon this subject it will afford me pleasure to do so.

Yours very truly, F. A. BURNHAM,
President.

A Life Insurance Medical Examiner on Women's Dress—Corsets, Long Hair, Bare Arms and Finger Rings Denounced as Deadly.

(*The Medical Examiner and Practitioner for June.*)

We have often wondered whether or not reform in woman's dress will ever come about. It has often appeared to us that the torture of the female sex in regard to keeping up with the so-called "fashion of the day" is on the increase. Why it is that women will thus subject themselves to this kind of inconvenience and pain; the prevention of the proper development of their bodies, and the impairing of their health, is a mystery, and yet from year to year there is ever ready plenty of young girls to imitate their seniors in the so-called "dress and fashion." When we come to examine the so-called fashionable dress of the lady we are surprised to find that they will endure so much discomfort and so much pain, merely to have it said that they are wearing fashionable things.

The different kinds of corsets now worn by the fashionable lady we all know are injurious to the health in many ways. The compression of the internal organs and the lower part of the chest and upper part of the abdomen produce diseases that are easily recognized by most medical practitioners, and certainly by all specialists in stomach troubles. We refer more particularly to the displacement of the abdominal organs. Because of this condition, as shown by Glénard, a French observer (coupled with indigestion, pains in the back, colicky pains, lassitude, weariness, headaches and congestion of these organs) it ceases to be a wonder that the fashionable lady of to-day is very often a physical wreck. If men were to girth themselves in with corsets, the same as women do, they could not endure fatigue and but very little bodily labor. The corset is responsible in a large majority of cases of kidney trouble and the vast array of diseases which are often described as pelvic cellulitis. Indigestion and the pains occurring in the lumbar region are very often regarded simply as local expression of rheumatism, while the pelvic trouble is sometimes treated by the family physician as a case of neurasthenia or nervousness. The results in these cases are disappointing to the physician and to the patient.

We have in mind now a patient who has gone through this fashionable tight lacing for many years, and her physician has treated her for nervousness, while a specialist in the diseases of women has made a careful examination and has pronounced a cystic ovary to be the cause of the trouble.

We find our fashionable female often exposing the upper part of the thorax and arms to all kinds of temperature in winter and summer. This often leads to sore throats, bronchitis and rheumatic troubles. They never blame the exposure for the trouble but always lay it to the weather.

Another fault we have to criticise in the fashionable woman is the Chinese tendency to bind the feet. True, they are not bound with cords like the ultra-fashionable Chinese lady, but they are compressed by small leather shoes with high heels planted under the instep. Thus the whole weight or the greater part of the weight of the body is thrown forward and received upon the toes, the same as the Chinese lady walks upon the ends of her toes. We can readily understand how so many corn and bunion doctors flourish in this latitude when the small feet fashion is ever on the increase. We hardly know how this pedal fashion is brought about. Women seem to be afraid of large feet, and no one will take the initiative to throw off this remains of a barbarian fashion and come down to an everyday, common way of dressing the feet.

Under the remains of savagism, and aping some of the islanders of the South Pacific, we find in the headdress now worn by the fashionable lady vast quantities of other people's hair, curled in among her own, some of these ladies appearing like South Sea Island damsels. With this hair a great amount of time is spent each day in preparing it for show. Pins, hairpins and all manner of iron furnishings are used to keep it in place. These ladies are not comfortable, for when they are honest they say that it is easier to be out of the world than out of fashion.

Another ultra-fashion which is fortunately on the decline is the wearing of earrings. We remember many years ago being in the Soumali country, and there seeing the so-called beautiful dark skinned damsels, the true representative of Africa, with their huge earrings dragging down the lobes of the ear until they were about 3 or 4 inches long. These damsels also had a ring inserted into the nose, but that, fortunately, has not yet come into fashion in our American cities, and we hope it never will.

Finger rings are another of the ultra-fashionable adornments that we find our ladies indulging in. To support and carry all of these articles daily wearies our women and tires them out. They are unable to do little more than to make a short trip to some store or theatre, and to rest out the next day after a trying ordeal.

If corsets could be consigned to the ash heap and women made to wear men's shoes, and a law be passed to make them cut short their hair, like a man, wear dresses that buttoned up and covered their thorax, and make it a misdemeanor to wear earrings and finger rings, we feel sure that the next generation of women would be longer lived and much happier than the women of to-day.

We trust that our ethical societies will try to put some of these reforms into practice, and before long we will see woman in dress suitable for her proper development.

A Government Insurance Bank.

(*Claude L. Roth, in the Annals of the American Academy of Political and Social Science.*)

Like the savings bank, the insurance bank looks beyond the direct good to be accomplished in enabling the poor to provide against future misfortune, to the indirect and larger good of inculcating habits of thrift and frugality among the classes which suffer most from the lack of these qualities.

Belgium, in addition to the general savings and pension bank established under the guarantee of the state by the law of March 16, 1865, has created an insurance bank, annexed to the pension bank and also under the guarantee of the state. The rates and conditions of insurance are set forth in the royal decree of June 16, 1896. The bank insures for life principals to an amount not exceeding 5,000 francs for one person. Its business may therefore be compared with industrial insurance in the United States, as in this country ordinarily only industrial insurance companies write less than $1,000 on a single life. Industrial premiums in this country may be paid weekly, but the premiums to the Belgium bank are paid yearly, or may be paid all at once. It may be stipulated that the principal will, at the falling due of the contract, be deposited in the Belgium pension bank, and employed in the acquisition of securities to the profit of the beneficiary or beneficiaries.

The insurance department is managed by the council of administration of the bank, of which the director-general is the executive head. The general conditions of these insurances are fixed by the general council of the savings and pension bank, subject to royal sanction. The approved regulations require a signed declaration and a medical certificate as the basis of the insurance, and these form an integral part of the contract. False declarations, even when made in good faith, which modify the character of the risk, are cause for annulling the contract without notice to the insured. The contract may be annulled for other causes also, notably in the case of suicide or of death resulting from habitual excesses of drink. In such cases the premiums, less 3 per cent., are repaid.

Proof of death must be made within three months. In case of death by war or by riot, the bank reimburses the redemption value of the capital insured increased by one-twentieth of the difference between the capital invested and the redemption value. Should the taker of insurance prove incapable of earning his living, a declaration and a doctor's certificate secure the repayment of the redemption value of the policy. In case of non-payment of a premium, the policy is replaced by a paid-up

policy for a reduced capital depending on the number of premiums already paid. The policy may be revived within five months of the date of lapse upon renewed application, payment of premiums in arrears, with interest at 3 per cent. per annum, and satisfactory medical evidence of insurability. The bank may take in the members of recognized mutual aid societies upon special conditions. Dividends or a distribution of surplus may take place at the discretion of the council of administration every five years.

The tariffs are based on 3 per cent. as the rate of interest, 3 per cent. as the expense of administration or registration, and on the chances of mortality calculated by M. Quetelet, director of the Royal Observatory of Brussels. The expenses of medical examination are paid not by the bank, but by the taker of insurance.

The minimum premium contracted for, either annual or single, is 10 francs ($2) paid in advance. The industrial companies of America contract for weekly premiums as low as 5 cents ($2.60 per annum). A remarkable difference is found in the relative methods of determining premiums and benefits or principals insured. The Belgium insurance bank charges a fixed premium, the same for all ages and kinds of policies, making the capital insured vary according to the mortality and the time of investment. In America the premium varies, while the amount of the policy is fixed for all ages and contracts. The endowment feature, common to old line policies, and recognized in child's endowment industrial policies, is embodied in mixed insurance by the Belgium Government. The insured capital is payable at the end of the contract or at the end of the insurance year in which the death of the insured takes place, if the latter dies before the expiration of the contract.

A comparison of the rates for the maximum bank policy ($1,000) in Belgium and for the minimum ordinary policy ($1,000) in the United States is interesting: At age fifty-two next birthday on a 3 per cent. basis and American mortality, the annual premium in the New York Life insurance company on an endowment maturing in ten years or at previous death is $116.10 per $1,000 of insurance. Belgium's insurance bank offers $1,000 on the same conditions for $100. All the other rates under Tariff I. are relatively as cheap. At age twenty-five, the premium of a thirty-year premium life policy in the New York Life is $25.64 per $1,000. Tariff II. of the insurance bank offers similar protection at the rate of $22.84 for $1,000 ($2 per $87.44). At age forty a single premium life policy in the New York Life costs $496.41 per $1,000. The Belgium rate is exactly $500 per $1,000. So that the cheapness of the insurance offered by the Government results from the economy of administration rather than from a lower death rate. The poor have better protection under the honest administration of the bank than under a private corporation conducted according to competitive principles as practiced in the United States.

Industrial insurance has gone far toward supplying the need of more stimulus to the savings habit. It is based on the inherent trait of Anglo-Saxon people to provide a respectful burial of their dead. The earlier forms of association, such as guilds, fraternities or secret orders and trades unions have failed lamentably to guarantee a proper financial return to the insured. Mr. Peacock, of Zanesville, Ohio, seems to have made the first attempt to adapt life insurance to the industrial classes in the United States. The idea is to give the masses as well as the classes a present means of obtaining a certain advantage over an uncertain event. The fact that pauper burials have steadily decreased from the rate of 210 per 100,000 in 1880-84 to the rate of 156 per 100,000 in the period from 1895-99 shows a result which may be largely due to the increased savings creditable to the industrial companies. The evidence of a robust struggle on the part of millions of the working people to attain economic independence has turned public opinion in favor of even child insurance.

It might be economically advantageous to have an insurance bank guaranteed by the United States. The cost of industrial insurance is the great objection to private control. The mortality is higher than in ordinary life risks because of less careful physical and moral investigation. Not only the number of bad risks, but also the commissions for underwriting and collecting are greater. Government ownership would be a practical monopoly and avoid the expenses of competitive solicitation of insurance and the collection of the premiums from the homes of the insured. Stamps might be used to pay the premiums at the post office. But the movement for industrial insurance in this country seems destined to develop along natural lines rather than by legislation creating a Government insurance bank.

INCORPORATED 1851.

The Berkshire Life Insurance Co.

OF PITTSFIELD, Mass.

All Policies issued by the Company are subject to the Massachusett Non-Forfeiture Law.

WM. R. PLUNKETT, President.

JAS. M. BARKER, Vice-Pres. JAS. W. HULL, Sec'y and Treas

Agencies in all the principal cities of the United States.

The Mutual Benefit Life Insurance Co.

NEWARK, N. J.

AMZI DODD, - - - PRESIDENT.

ASSETS (Market Values) Jan. 1, 1901.....$74,311,468.25
LIABILITIES, N. J. and N. Y. Standard..... 68,186,103.34
SURPLUS,..... 6,125,364.91

MUTUAL BENEFIT POLICIES

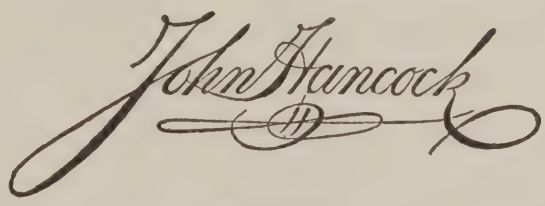
—CONTAIN—

Special and Peculiar Advantages

WHICH ARE NOT COMBINED IN THE

POLICIES OF ANY OTHER COMPANY.

THE



MUTUAL

Life Insurance Company of Boston, Mass.

Insurance in Force December 31, 1900, . . $221,032,536

STEPHEN H. RHODES, President.

ROLAND O LAMB, 2d Vice-Pres. and Sec'y; ARNOLD A. RAND, 3d Vice-Pres.; ROBERT K. EATON, Sup't of Agencies, Ordinary Department; FRANK B. WEEKS, Sup't of Agencies, Industrial Department; WM. S. SMITH, Actuary; FRANK K. KOHLER, General Agent.

St. Paul Building, New York.

State Mutual Life Assurance Co.,

OF WORCESTER, MASS.

A. G. BULLOCK, President.

Incorporated 1844.

Issues policies, incontestable after two years, protected by the Non-Forfeiture Law of Massachusetts. Yearly dividends.

Assets $17,754,046
Liabilities 15,889,512

Surplus January 1, 1901..... $1,864,534

C. W. ANDERSON, General Agent, 189 BROADWAY, NEW YORK.

Head Office for the United States:

57 and 59

William Street,

NEW YORK.

A. G. McIlwaine, Jr., Manager.

Instituted in Reign of Queen Anne, A. D. 1714.

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No Overhead Writing

No Dual Agencies.

Loyalty to Local Agents.

United States Offices: Society's Building,
35 Pine Street, New York, ... Hall & Henshaw, Managers
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35 Kilby Street, Boston, . . Hall, Henshaw & Gilmour, Managers
English-American Building, Atlanta, Ga., . George N. Hurt, Manager
Mining Exchange Building, Denver, Col., Gerald L. Schuyler, Manager
AGENTS IN ALL THE PRINCIPAL TOWNS AND CITIES.

Sun Ins. Office of London, England.

J. J. GUILE. U. S. MANAGER.

OFFICE 54 PINE STREET, NEW YORK.

ESTABLISHED IN 1822.

THE NATIONAL ASSURANCE COMPANY OF IRELAND.

GEORGE E. KENDALL,
United States Manager,
HARTFORD, CONN.

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.
FOUNDED 1792.

Assets, January 1, 1901		$9,583,791
LIABILITIES—Reserved for Reinsurance and all other claims	$4,805,254	
Capital Stock	3,000,000	
Surplus over all Liabilities	1,778,537	$9,583,791

Agents in all the principal towns and cities.

CHARLES PLATT, President.
EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer.
BENJAMIN RUSH, Second Vice-President.
T. HOUARD WRIGHT, Marine Secretary.
JOHN B. ATWOOD, Assistant Secretary.

Offices in New York: Fire, William and Pine Sts.; Marine, 63 Wall St.

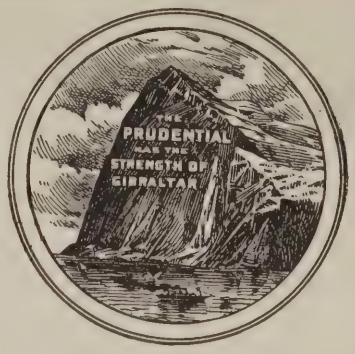
The American Fire Insurance Co.,

PHILADELPHIA, PA.

CASH CAPITAL	$500,000.00
Reserve for Reinsurance, and all other Claims	1,603,605.54
Surplus over all Liabilities	247,360.42
TOTAL ASSETS, JANUARY 1, 1901	$2,477,069

THOMAS H. MONTGOMERY, Prest.
RICHARD MARIS, Sec. and Treas. WM. F. WILLIAMS, Asst. Sec.
WM. B. KELLY, Gen. Mgr.

DIRECTORS—Thomas H. Montgomery, Israel Morris, Pemberton S. Hutchinson, Joseph E. Gillingham, Charles S. Whelen, Edward F. Beale, John S. Gerhard, Edward Lowber Welsh, Archibald R. Montgomery.



ORDINARY and INDUSTRIAL PROFIT SHARING POLICIES.

EXCEPTIONAL ADVANTAGES TO

..... Active Agents.

WRITE TO

THE PRUDENTIAL INSURANCE CO. OF AMERICA

JOHN F. DRYDEN, President — Home Office: NEWARK, N. J.

The MASSACHUSETTS MUTUAL Life Insurance Company,

INCORPORATED 1851

SPRINGFIELD, MASS.

ASSETS—January 1, 1901	$26,245,622,04
LIABILITIES	23,920,986.53
SURPLUS	2,324,635.51

Definite Paid-up and Cash Surrender Values written in every Policy.

JOHN A. HALL, President. HENRY M. PHILLIPS, Secretary.

New York Office: Empire Building, 71 Broadway.
GEORGE J. WIGHT, Manager.

National Life Insurance Company of Vermont.

J. C. HOUGHTON, President.
JOS. A. DE BOER, Vice-President.
O. D. CLARK, Secretary.

THIS COMPANY HAS GAINED IN THE LAST DECADE,

In Assets,	$12,275,109.34, or 160.96 per cent.
In surplus,	1,089,332.69, or 119.47 per cent.
In insurance,	48,102,491.00, or 93.64 per cent.

Sells the Most Modern, Profit-Sharing, Non-Forfeitable Contracts of Life, Term, Endowment and Annuity Insurance. Correspondence from interested parties promptly recognized. Good agency contracts for reliable men.

J. F. MAKLEY, General Manager,
149 Broadway, New York.

The Lancashire Insurance Company

OF MANCHESTER, ENG.

MILTON DARGAN, Manager,

25 Pine Street, NEW YORK.

Established 1782.

Phœnix Assurance Company,

OF LONDON.

FIRE INSURANCE ONLY. LOSSES PAID OVER $100,000,000.

Head Office for the United States, 37 Liberty St., N. Y.

L. D. IRVING, Manager. E. B. CLARK, Asst. Manager

LOUIS P. BAYARD, 2d Asst. Manager.

INCORPORATED 1799

Providence Washington Insurance Company.

PROVIDENCE, R. I.

Germania Fire Insurance Co.

Southeast Corner of William and Cedar Streets, New York.

STATEMENT, JANUARY 1, 1901.

Cash Capital	$1,000,000.00
Reserve for Unearned Premiums	1,563,778.00
Reserve for Losses under adjustment	81,571.61
Reserve for all other Claims	42,475.49
Net Surplus	2,275,975.38
Total Assets	$4,963,800.48

HUGO SCHUMANN, Prest.

FR. VON BERNUTH, GEO. B. EDWARDS, } Vice-Presidents.

CHARLES RUYKHAVER, sec. GUSTAV KHER, Asst. sec.

HANOVER

Fire Insurance Company

OF NEW YORK.

Agencies In all the Principal Places In the United States.

Provident Life and Trust Co.

OF PHILADELPHIA.

The best in Life Insurance is likely to be the cheapest. The same fidelity, skill and care which are necessary to guarantee the future security of a company result in the lowest cost. A good test, therefore, is to determine whether the organization and the surroundings of a company exclude all doubt as to future security. In determining this the question of cost is determined also. **THE PROVIDENT LIFE AND TRUST COMPANY** invites inquiry as to its organization and the provisions for safety afforded. For the full period of its existence the death rate has been only .614 of the rate indicated by the authoritative tables.

ÆTNA

LIFE INSURANCE CO.

MORGAN G. BULKELEY, PRESIDENT

Largest Company in the World doing Life, Accident and Health business

ASSETS, OVER . . . $56,000,000.

MOWRY and PATTERSON, Managers Life Department.

GEORGE C. STERLING, Manager Accident Department.

Continental Building, 46 Cedar Street, NEW YORK CITY.

Caledonian Ins. Co.,

FOUNDED 1805. of Scotland.

"The Oldest Scottish Insurance Office."

United States Head Office, 27-29 Pine Street, New York City.

STATEMENT JANUARY 1, 1901.

Assets	$1,910,617.66
Liabilities	1,101,382.62
Net Surplus in the United States	$809,235.04

CHARLES H. POST, U. S. Mgr. N. A. McNEIL, Ass't U. S. Mgr

QUEEN

Ins. Co. of America.

NEW YORK.

North British & Mercantile

INSURANCE COMPANY,

OF LONDON AND EDINBURGH.

Established, 1809.

Office:

COR. PINE AND WILLIAM STREETS,

NEW YORK CITY.

COMMERCIAL UNION ASSURANCE CO.

LIMITED,

OF LONDON.

OFFICE:

Cor. Pine & William Sts. New York.

Chartered 1866. 33 Years Successful Business.

The Hartford Life Insurance Co.,

HARTFORD, CONN.

Every desirable form of up-to-date contract is issued by this old and sterling company.

All rates and values guaranteed in the contract,

$18,500,000 Paid in Benefits.

Ratio of Assets to Liabilities, $142 to $100.

GEO. E. KEENEY, President CHAS. H. BACALL, Secretary.

The Largest Fire Insurance Company in Germany.

MAGDEBURG

FIRE INSURANCE CO.

OF MAGDEBURG, GERMANY.

ESTABLISHED 1844.

United States Branch, Magdeburg Building, 17 William Street, New York

PAUL E. RASOR, Manager. AD. DOHMEYER, Ass't Manager.

1846—1901.

THE CONNECTICUT MUTUAL LIFE

Insurance Company.

WHERE THE CONNECTICUT MUTUAL STANDS.

During all the long struggle out of which this situation has developed, and amid the many schemes devised to attract public attention and favor to something else than life insurance, the attitude and position of the Connecticut Mutual has never been doubtful.

It has held to the cardinal facts: Life insurance is for the protection of those dependent on a man's life; their dependence makes it his unavoidable duty. Those dependents we assume to protect by our contract, at his personal cost; our duty to them is to make that protection as large, as secure, and as certainly available to them as possible; our duty to him is to make its cost to him as small as possible.

JACOB L. GREENE, President. HERBERT H. WHITE, Secretary.
JOHN M. TAYLOR, Vice-President. DANIEL H. WELLS, Actuary.

The Metropolitan Life Insurance Co.

(INCORPORATED BY THE STATE OF NEW YORK.)

"The Leading Industrial Insurance Company of America,"

IS REPRESENTED IN ALL THE PRINCIPAL CITIES OF THE UNITED STATES AND IN CANADA. THE PAYMENT OF OVER 250 DEATH CLAIMS DAILY TELLS OF THE GOOD IT DOES. INSURANCE IN FORCE OF OVER $900,000,000 ATTESTS ITS GREATNESS AND FAVOR WITH THE PUBLIC.

Permanent, Profitable and Progressive Employment.

AGENTS WANTED—Any honest, capable, industrious man, who is willing to begin at the bottom and acquire a complete knowledge of the details of the business by diligent study and practical experience can, by demonstrating his capacity, establish his claim to the highest position in the field. It is within his certain reach. The opportunities for merited advancement are unlimited. All needed explanations will be furnished upon application to the company's superintendents in any of the principal cities, or to the Home Office, No. 1 Madison Avenue, New York City.

JOHN R. HEGEMAN, President.

HALEY FISKE, Vice-President. GEORGE H. GASTON, Second Vice-President. GEORGE B. WOODWARD, Secretary. J. J. THOMPSON, Cashier and Assistant Secretary. JAMES M. CRAIG, Actuary. JAMES S. ROBERTS, Assistant Secretary. STEWART L. WOODFORD, Counsel. THOS. H. WILLARD, Medical Director. A. S. KNIGHT, Assistant Medical Director.

PHENIX INSURANCE COMPANY,

OF BROOKLYN, N. Y.

NEW YORK OFFICE:
47 CEDAR ST

1825. THE 1901.

Pennsylvania Fire Insurance Co.

OF PHILADELPHIA.

Cash Capital,	$400,000.00
Re-insurance and all Liabilities,	2,771,038.56
Surplus,	2,163,883.97
Total January 1, 1901,	$5,334,922.53

R. DALE BENSON, Prest. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Prest. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

National Fire Insurance Company,

HARTFORD, CONN.

JAMES NICHOLS, President. B. R. STILLMAN, Secretary.
H. A. SMITH, Assistant Secretary.

HEAD OFFICE, 95 Pearl Street, Hartford, Conn.

WESTERN DEPARTMENT.
FRED. S. JAMES *General Agent.*
G. W. BLOSSOM, *Asst. Gen'l Agent.*
Office, 174 La Salle St., Chicago.

PACIFIC DEPARTMENT.
GEO. D. DORNIN, - *Manager.*
GEO. W. DORNIN, *Asst. Manager*
Office, 409 California St., San Fran

1850. THE 1901

United States Life Ins. Co.

IN THE CITY OF NEW YORK.

GEORGE H. BURFORD, President.

FINANCE COMMITTEE.

GEO. G. WILLIAMS, . . . *President Chemical National Bank*
JOHN J. TUCKER, ... *Builder*
E. H. PERKINS, JR., *President Importers' and Traders' National Bank*
JAMES R. PLUM, ... *Leather*

Active and successful Agents who desire to make Direct Contracts with this well-established and progressive Company, thereby securing for themselves not only an immediate return for their work, but also an increasing annual income commensurate with their success, are invited to communicate with RICHARD E. COCHRAN, 3d Vice-President, at the Company's Office, 277 Broadway, New York City.

Assets over $8,000,000. Insurance in Force, over $40,000,000

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

VOL. LXV. SATURDAY, JULY 13, 1901. No. 2.

Published every Saturday by the Underwriter Printing and Publishing Company.

Subscription price: Five Dollars per annum in advance. Single Number, Ten Cents.

All communications should be addressed to THE WEEKLY UNDERWRITER, 58 William Street, New York.

Checks and money orders should be made payable to the order of THE WEEKLY UNDERWRITER.

THE first serious attempt to make hostility to insurance a constitutional provision appears in Virginia. A convention to frame a new constitution for that State has lately met, and Mr. T. L. Moore, a delegate from Montgomery County, on Wednesday introduced the following resolution:

Resolved, That this convention adopt as one of its provisions a plan which will prevent fire insurance companies from incorporating in their insurance contracts what is known as the "Three-fourths Clause," and make it so that whenever an insurance policy is issued and a loss occurs under that policy, that the company insuring be compelled to pay the insured the value which was placed upon the property as specified in the policy and that said insurance companies be estopped from proving that the property insured was of less value than that fixed in the policy.

This perhaps is the head of the advancing flood of enmity to insurance which flows annually through the State legislatures, but with companies in plain sight pulling out of the South for this cause it would be the height of wisdom in the convention to shut the flood gates at once.

THE Fourth of July season passed with no serious loss to fire underwriters outside of Baltimore, and now the published figures of the first half of 1901 show a good improvement over the corresponding period of last year. Notwithstanding the ten millions fire in Jacksonville in May there is a difference in favor of 1901 of fifteen millions of dollars. This decrease in the fire waste, taken in combination with the improvement in the rates in many parts of the country, starts the bulk of the companies over the second half of the year with some profit from underwriting. The experience for several years has been that in the last six months of each year the fire loss has so diminished that the companies have been able to recoup themselves for their sufferings in the first six months. There is reason, therefore, for thankfulness that the past has not been as bad as was anticipated and for hopefulness in what remains of 1901.

THE improved conditions in fire insurance do not, however, obtain in the South. The contraction of lines in that section by some companies and the entire withdrawal of others, of which the Magdeburg is an example, indicate a growing conviction that at current average rates there is no profit in that part of the country. We reprint from the *Insurance Field* a report of an interview upon the Southern situation with a prominent fire underwriter whose long acquaintance with the Southern business enables him to speak with authority. He finds a cause for its unsatisfactory condition in the repressive insurance laws now in force in nearly all the Southern States. These stimulate the fire loss on the one hand and intervene to prevent the making of a rate to meet it on the other. Only by the combination of experience and effort, such as is realized in the South Eastern Tariff Association, can the adequate rate be ascertained. When this is forbidden, the underwriter is working with his hands tied and his eyes blindfolded, and results are in the air. Combination lessens expenses, individual action increases them. If the difference cannot be secured from the insured, profit is imperiled, and the company must get out of the town or State to save itself. And so with the onerous insurance tax laws, State and municipal, in the South. They further reduce the probability of profit. The process of reduction in lines going on in the South ought to open the eyes of legislators, as it has of business men, to the danger which confronts its business interests and the necessity of a repeal in the immediate future of laws interfering with freedom in trade.

THE circumstance that copies of this paper were once, or perhaps more than once, purchased by the president of the Northwestern Life of Chicago is made a pretext by the Literary Bureau which the Mutual Reserve Fund Life Association maintains at considerable cost to the policy-holders to do its puffery and prevarication, to include us among the pensioners of that concern. It is convenient for the Bureau to pretend to ignore the distinction between selling papers and selling opinions, but the difference exists nevertheless. Copies of this paper are on sale to all buyers, from a single copy to a million and over. But the editorial columns are for sale to nobody, and the advertising columns only to solvent and honest advertisers. There has never been an instant of time, from the days of Mr. Harper's supremacy to the present moment, that this paper could not have had a more lucrative advertisement from the Mutual Reserve Fund than any of its contemporaries in exchange for its support. And the Literary Bureau knows it, too. But copies of the paper are for sale to all comers, even be they Gibbs the Pirate, Beelzebub or the Mutual Reserve Fund, 10 cents per copy, no reduction for quantities, and they are well worth the price.

A LABORED effort is being made by some of the New York daily papers to turn to political account the increase in fires in Manhattan and the Bronx in the last three years over those of the previous three years. Comparative figures are published to show that from 1895 to 1897 inclusive, under the administration of Mayor Strong, fires in the two boroughs cost the people $10,197,246, and from 1898 to 1900, under the present mayor, the fire loss was $17,835,758. We do not know

how near accuracy these returns are—political figures may always be regarded as suspicious until they are proven beyond dispute—but that losses by fire are a matter of party responsibility in New York is preposterous. And for this reason: All through the two periods the fire department of New York has been uniformly efficient in the highest degree. Its ability to cope with fires and its success in controlling them have not been lessened by any change in the personnel of the higher authorities. There have simply been more fires in New York and more costly ones in the last few years, as there have been all over the country, and for the same reason—whatever it is. If politics have increased the fire loss on this island, they have done it everywhere else, and to state such a proposition is to expose its absurdity. We understand that the fire patrol statistics for 1901 will show a decrease in the fire loss over 1900 of three-quarters of a million dollars. But the same man is in the City Hall. Whatever may be the many shortcomings of the present municipal administration it cannot be held responsible for the growth of the electrical hazard and the inflammability of old tinder boxes like the Windsor Hotel.

THE Rhode Island Insurance Commissioner, in his annual life insurance report, touches upon an abuse in the industrial business about which complaint has been made before. He speaks of the custom of some agents to secure policy-holders by leading them to believe that some advantage other than mere insurance will accrue to them if they will take out policies. The failure to realize these glowing promises has often led to inquiries at the commissioner's office if he cannot enforce them upon the companies, and when asked the source of the delusion under which they have labored the victims have almost invariably replied "the agent told me so." Commissioner Gray absolves the companies from any participation in this misrepresentation, but he thinks they should "insist that their agents confine themselves strictly to the truth." We are sure that this is just what the companies do; but manifestly they cannot exercise complete control over the many thousand agents in their employ, and the best they can do is to admonish, and to dismiss if the admonition has no effect and the complaint reaches their ears. There will be a small percentage of unscrupulous men in the agency business despite the utmost care of the companies in selecting their representatives, and it is impossible to follow these men wholly in their transactions when they are cautious. The policy-holders can help the companies and themselves by lodging complaints at the offices and general agencies of the companies in which they are insured. The most effective "insistence" that the insurers can use is that the insured shall read the terms of policy contract. These have now been reduced to plain, understandable language, and if the policy-holder will look to them and not solely to what the agent tells him he cannot be deceived. A case of deception came under our own observation, in which an agent of one of the largest companies persuaded an humble but trustful colored customer that by the payment of twenty cents weekly for two years the company would present him with a "gift" of five hundred dollars. There was nothing in the policy like these figures except the amount of the insurance in bold type, and that was all that the insured had read in the policy.

Facts and Opinions.

UNDER date of June 12 Insurance Commissioner Cutting, of Massachusetts, addressed an inquiry to Attorney-General Knowlton as to the legality of the physicians' liability policy issued by the Fidelity and Casualty Company. The company held that it was entitled to issue the policy under the statute providing that companies may insure any person against loss on account of the accidental injury or death of another, and for which the first named is responsible. Mr. Cutting dissented from this view. On Thursday an opinion was received at the department from the Attorney-General affirming the legality of the policy. The opinion concludes with the following words: "An employer whose negligence causes injuries to his employees may be held to pay damages therefor, either at common law or under some statute. He may insure himself against such liability. A physician whose negligence causes injury to his patient that would not have happened to him if he had been skillful may be made to pay the damages which result. I see no difference between insuring the physician under such circumstances and the employer whose negligence made him liable to the employee. It is not necessary to consider whether there may not be cases of liability by physicians for malpractice which could not be insured against under these statutes. It is sufficient that some cases, where physicians are held liable at common law, come within the meaning of the statute as I interpret it, and therefore that form of policy cannot be illegal."

SOME interesting correspondence has been going on between the mayor of Macon, Ga., and the secretary of the South Eastern Tariff Association. The mayor wanted to know if the fact that Macon has the largest fire department of any city in the South, by comparison, and that it is in a high state of efficiency, would not induce the association to classify Macon as a first-class city, without an additional fire company, as required by the association. In his final letter Secretary Fleming says that the executive committee, after careful consideration, had directed him to say that it must abide by its requirement as to the additional company. He adds:

> When the improvements proposed and agreed upon have been completed, the promised revision of rates will be made by the association. The matter of fire record during the last five years or the last ten years has nothing whatever to do with the proposed revision of insurance rates in consideration of certain improvements agreed upon. The association was desired to state what would be asked in the way of improvements in order to get a rating for Macon as a first-class city. A representative was sent to Macon and went over the ground thoroughly. The changes which he stated to be necessary were agreed to by your city authorities. Nothing unreasonable or excessive was asked. Other cities have entered into similar agreements with the association and they have gone to work to carry out their part of the agreement without asking the question to be reopened again. When the promised additions to the fire protection of Macon shall have been fully completed, the association will, upon receiving notice of the facts, take steps to promptly carry out its part of the agreement.

REPORTS of trouble between the governing committee of the Western Union and the Insurance Survey Bureau were verified at the quarterly meeting of the latter Tuesday, when the resignation of the Phenix of Brooklyn was received. The chief significance of this is that Manager Lenehan, of the Phenix, is also chairman of the governing committee and a member of the sub-committee on unprofitable classes, whose new mercantile schedule was so severely criticised by Manager Lockett, of the Survey Bureau. Mr. Lenehan said that for some time he had been out of sympathy with the work and methods of the Survey Bureau, and thought that he was not getting his money's worth out of it. He objected to sending young men just out of college to do inspection work, failed to sympathize with the desire of the bureau to furnish advisory rates, and protested against the criticism of the mercantile schedule by Manager Lockett.

It is understood that other members of the Survey Bureau will also retire, especially those closely connected with the governing committee faction. It is not expected that President McDonald, of the Survey Bureau, will be inactive, now that the issue has been drawn, and action is expected soon on some of the many plans the Survey Bureau is said to have had in mind.

THE right of the Buffalo Association of Fire Underwriters not only to expel a member for violation of the rules, but to make rates, is before a local judge of that city, Judge Braunlein, for adjudication. Albert A. Bettinger, a local fire insurance agent, joined the association several years ago and paid his membership fee of $250. In 1897 he was arraigned before a committee of the association on the charge of cutting its rates, tried, convicted and expelled. He has brought suit against the association, the following being a summary of his complaint:

He claims that the rules of the association fixing rates are in restraint of trade and competition, and, therefore, against public policy; that the association in thus restricting competition is committing an unconstitutional act; that the association has no right to set up a schedule of rates and expel him from membership simply because he cut below the figures so fixed. He claims that he was able to do a better business by writing fire insurance at such rates as his companies would accept, and that he had a right to profit by this business, whether the association liked it or not. Mr. Bettinger further disputes the right of the association to expel him from membership and estreat his fee simply because he availed himself of a business right and wrote insurance at rates which were satisfactory to himself and the companies which he represented. He, therefore, sues to have the association return him his $250 fee or to restore him to all full privileges of membership in good standing.

THE South Carolina Comptroller-General in his annual report makes the following recommendations to the next Legislature about new insurance legislation:

Your attention is called to the fact that the insurance laws of the State do not provide for the examination of companies organized in this State, or that they shall make annual statements or other returns to this department. We have no means of ascertaining their financial condition or standing. Our laws should be so amended as to require all companies organized in South Carolina to furnish this department with some evidence of their standing and reliability. Each agent or representative of an insurance company before soliciting business should be required to apply to the Comptroller-General for a license, say $100. Under the laws of this State insurance companies are required to pay a tax of one-half of 1 per cent. to the State Treasurer of South Carolina. I suggest that you pass an act requiring in lieu of this tax of one-half of 1 per cent. and State, county and school taxes, to pay the State Treasurer 2 per cent. on gross premiums collected in South Carolina. The change will simplify the work of his department very much, and save the insurance companies trouble and annoyance, and will give as much revenue as received at present.

THE *Journal of Commerce* presents the following comparative figures of the fire loss in the United States and Canada in the first six months of 1899, 1900 and 1901:

	1899.	1900.	1901.
January	$10,718,000	$11,755,300	$16,574,950
February	18,469,000	15,427,000	13,992,000
March	11,493,000	13,349,200	15,036,250
April	9,213,000	25,727,000	11,352,800
May	9,091,900	15,759,400	22,380,150
June	6,714,850	21,281,000	9,599,000
Totals	$65,699,750	$103,298,900	$88,935,150

The improvement this year over 1900, notwithstanding the Jacksonville conflagration in May, will be noticed. The last half of 1900 showed a reduced fire loss, and the same may be the case this year.

THE joint investigation of the accounts of the endowment rank of the Knights of Pythias by the actuaries of the Illinois, Connecticut and Kansas insurance departments resulted in the discovery of a deficit of $225,267. The Supreme Lodge of the order was in session at Chicago this week, and allowed the former president of the board of control, John A. Hinsey, to explain his mismanagement and to resign, although there was a strong feeling in favor of expulsion. The Supreme Lodge at its session on Thursday decided that the most expeditious way of meeting the deficiency was to raise the insurance rate to the maximum recommended by the National Fraternal Congress. If in this way the money is not forthcoming, a special assessment of 50 cents will be put upon every member of the order, whether insured or not, for the benefit of the depleted endowment rank.

THAT standard work of reference for all classes of persons interested in insurance, "Hayden's Annual Cyclopedia of Insurance in the United States," has been published for the current year. The present volume, like its predecessors since 1900, covers all kinds of insurance in this country, the information about which is brought down to date and made convenient for immediate use. This publication has one unique feature—its biographies of living insurance men. It is a "Who's Who" in the insurance business, and rarely fails to reply to any inquiry about the personnel of the individuals who stand for the various phases of this great interest in the United States. The Cyclopedia is published by the Insurance Journal Company, of Hartford, Conn., and copies can be had from the publisher for $2.50 each.

INQUIRY at the office of the Provident Savings Life Assurance Society as to the results of the examination by the Texas and Tennessee insurance departments, which has been in progress for some time, elicits the information that the completion of the examination is delayed until Mr. Walter C. Wright, representing the latter department, can value the policy obligations of the society. It has been customary, we believe, for departments, other than that of Massachusetts, to accept the valuation certificates of the New York department as to life insurance companies of this State. There is apparently no reason why the Tennessee commissioner should depart from this usage, unless, in vulgar parlance, the desire is to "nurse the job." It will be some weeks before the report of the joint examination can be ready.

BY a vote of 24 to 14 the insurance department chiefs have decided that the national convention of their organization shall be held in Buffalo instead of Seattle, where it was agreed that they would go this year when they met at Hartford last year. The distance and expense of journeying to the Pacific Coast were undoubtedly the prevailing factors with a majority of the Eastern commissioners. It is a question whether more than a handful of delegates would have assembled at Seattle had it received the choice. But it need not despair; time and growth will work for it and its day will come. Buffalo was a powerful rival this year on account of the Exposition attractions. It is understood that the convention will be held the latter part of September.

MANHATTAN receivership affairs have been simplified by the surrender to the receiver of 935 shares of the company's stock by ex-President Myers which had been held on the books in his name. The stock is pledged to the German Bank of Buffalo for a loan of $60,000. Mr. Myers has also rendered an account to the receiver showing an unexpended balance of the Manhattan's money in his possession on this account of $12,375, delivering to the receiver in payment thereof $6,100 in cash and his note at sixty days for $6,275.

THE Western manager of the Greenwich, Mr. Hubble, who has been trying to secure a reduction of the rate on preferred business as a war measure as well as a matter of justice, has sent out to the Western Union managers an extended argument in favor of such a reduction in Iowa as a starter. Mr. Hubble

considers the question from different standpoints, underwriting, Union and non-Union, political, business and ethical, and backs up his opinion with the figures prepared by him and submitted at the special meeting of the Union. It was then referred to a committee, but nothing has been done, and Mr. Hubble desires to stir up consideration of the matter.

At the quarterly meeting of the Insurance Survey Bureau of Chicago, Tuesday, it was reported that up to date 23,794 inspections had been made, of which 7,439 were found to contain unnecessary fire hazards. Over 50 per cent. of these defects have been corrected, and the others will be. As the membership of the bureau has increased, the cost of inspections has decreased from $1.23 in 1898, when all the initial expenses were incurred, to 16½ cents in 1899, 9¾ cents in 1900 and 8½ cents so far in 1901. There are now thirty companies in the bureau, and with an increase to fifty the cost of inspections to the companies can be reduced to 5 cents.

The Minnesota insurance department has denied the application of the United Endowment Association of Newark, N. J., for authority to do business in that State. The company was organized by Minneapolis men, Frank Guiwitz, of that city, being president, and Frank N. Robinson vice-president and manager. It has no assets, and has collected $400 from members and borrowed $1,300, and has expended besides $700. A policy is issued whereby upon payment of $12 per year for five years the holder is entitled to $250 in cash.

The announcement that the Insurance Company of the State of Pennsylvania had closed an agreement with the Insurance Company of North America by which the latter takes over all its fire insurance, except perpetual risks in Philadelphia, was made on Monday. The first named does not go out of business nor into liquidation, but turns over to the Insurance Company of North America premiums as received and gets in return a sum agreed upon. The arrangement is described as somewhat in the nature of a lease.

The Magdeburg Fire of Germany has found its business to be so unprofitable in the States of Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, Louisiana, Texas, Arkansas, Tennessee and Kentucky, that it has decided to retire from all of them, excepting the city of Louisville. It is understood that arrangements are in progress to reinsure the company's outstanding business in those States. It will continue in all other parts of the United States, as it is doing well outside of the Southern field.

The life insurance agents of the District of Columbia have revived and reorganized their local association, and it has the following officers: President, W. A. White, of the New York Life; vice-presidents, Robert Cook, of the Metropolitan Life, and T. J. Guthrie, of the Equitable Life; secretary and treasurer, S. S. Wainwright, of the Prudential Life. The executive committee is composed of seven members. Among the delegates to the national convention are Max Cohen and Simon Wolf.

The semi-annual statement of the Continental of New York shows total assets on July 1 of $11,058,887.52, an increase in six months of $420,616.65; reserve for insurance in force of $4,523,913.23, an increase of $251,795.70, and net surplus of $4,653,859.57, an increase of $173,320.27. There was also an increase in premiums written of $371,138.78. These results will be read with supreme satisfaction by the representatives and customers of this great company.

The Home of New York continues to lead American fire insurance companies in volume of assets, and its semi-annual statement just issued shows that at the beginning of the half year it had total assets of $14,406,450.33, with a net surplus of $5,601,815.63, and a surplus as regards policy-holders of $8,601,815.63. The gain in assets since January 1 was over $750,000 and in net surplus over $300,000. This is a great record for a half year such as the last.

A preliminary hearing on the petition of the Provident Savings Life for a mandamus to compel Insurance Commissioner Cutting, of Massachusetts, to value its policies according to their terms, had been set to take place in the Suffolk County Supreme Court at Boston last Tuesday, but was waived by the parties concerned, and the case will probably rest until the court resumes its sessions in the autumn.

In the Sixth District Court at Providence, R. I., R. M. Perkins was arraigned on the charge of embezzling $1,000 from the Metropolitan Life, and was held in $3,000 for a trial set for yesterday. Mr. Perkins was cashier of the Metropolitan's Providence office, the safe of which was forced open some time between the afternoon of July 3 and the morning of July 5.

At Chicago on Wednesday Dr. August M. Unger and F. Wayland Brown, convicted of conspiracy to defraud insurance companies in connection with the death of Marie A. Defenbach, were sentenced by Judge Tuley, of the Criminal Court, on an indeterminate sentence. The case of Frank H. Smiley was continued until the next term of the court.

Several fire insurance companies have withdrawn from Maysville, Ky., on account of its bad record. The companies have paid out $180,000 more than they have received on account of that small place in the last ten years. The late fire there cost the companies $60,000 because there was a short supply of water.

At a meeting of the policy-holders of the Northwestern National Life insurance company of Minneapolis, Minn., July 2, it was voted to reorganize the concern on the stipulated premium plan. W. F. Bechtel was elected president, G. F. Getty secretary, and ex-Deputy Insurance Commissioner Z. H. Austin actuary.

A complete shake-up of the district chiefs of the Boston Fire Department went into effect Friday morning by order of Fire Commissioner Russell. The transfers came as a complete surprise to those affected, and while no reason is given for them, it is presumed that they were made for the good of the department.

At a meeting at the rooms of the Illinois State Board of a number of special agents of the companies that are still writing broom corn in Central Illinois, the situation was canvassed and the executive committee was asked to increase rates at least 50 cents. The present rates run between $1.50 and $2.65.

The Southern Inspection Bureau has elected four new members of the governing committee to succeed those retiring. These new members are W. J. Dangaix, of the Agricultural; B. H. Abrams, of the Liverpool and London and Globe; C. W. Phillips, of the Royal, and J. S. Middleton, of the Ætna.

The sub-committee of the committee appointed to revise the Massachusetts laws, which has in charge the insurance chapter, began its sessions Wednesday. It comprises Repre-

sentatives Archie M. Frost and George T. Sleeper and Senators George R. Jones and John A. Sullivan.

The Attorney-General of Massachusetts has ruled, in answer to an inquiry from the Insurance Department, that the privileges conferred under a broker's license are personal to the licensee, and cannot be delegated to unlicensed persons, even though they be employees of the licensee.

At Guildhall, Vt., was dedicated last Tuesday a Masonic hall, which, with a public library, was presented to the town by Col. Everett C. Benton, of the Boston insurance firm of John C. Paige & Co. Colonel Benton is a native of Guildhall and makes his summer home in that town.

Since the beginning of the present year Superintendent Church has issued licenses in Kansas to 9,000 insurance agents. Of these 1,000 are life insurance agents, a few represent accident companies, and the remainder deal in fire insurance. This cuts up the business badly.

An arrangement has been made under which F. G. Macomber, of Boston, takes over the business of the Boston office of the Johnson & Higgins Corporation, of New York, while the latter assumes charge of the business of Mr. Macomber's New York office.

A million dollars has been sent over from the home office by the North British and Mercantile for the account of the United States branch. Of this $800,000 goes to the fund of the British company and $200,000 to the assets of its American tender.

Insurance men of all classes held a meeting at Louisville on Tuesday and arranged for the entertainment of the visiting underwriters on the occasion of the triennial conclave of the Knights Templars in that city city next month.

Six fire insurance companies which have suffered heavy losses recently in Greenville, S. C., have withdrawn from that place. The amount of property left uncovered by the withdrawals is estimated at $125,000.

The Manufacturers Mutual Fire Insurance Corporation of Brooklyn, organized in 1896, will go into liquidation. An effort by some of its members to reorganize it as a stock company did not succeed.

The United States Endowment and Trust Company has been organized by Atlanta men, in Alabama, with $200,000 nominal capital, to write endowment insurance annuities and "gold income bonds."

The Chicago Underwriters' Association has voted to establish an arson fund, and make an assessment of one-tenth of 1 per cent. for that purpose upon the premiums of members for six months.

Topeka lawyers representing the Kansas anti-trust proceedings against the fire insurance companies have been in Chicago this week taking testimony from prominent fire underwriters there.

The official list of the insurance brokers licensed by the Massachusetts Insurance Department, as of July 1, 1901, was issued Thursday, and contains 1,785 names.

The Western Fire and Marine of Chicago, a revival of the failed Western of Aurora, is struggling to get a license from the Illinois Insurance Department.

The perpetual business of the Teutonia of Philadelphia has been reinsured by the United Firemens of that city.

A receiver has been appointed for the Central Fire insurance company, of Lexington, Ky.

An Insurance Society is to be organized by Philadelphia fire underwriters.

Personal

Agency Appointments.

British-American of New York: John F. Kaler, Boston, Mass.

Eagle Fire of New York: E. F. Weiss, of Cincinnati, sole agent for Hamilton County, Ohio; Chris Schroeder & Sons, Milwaukee, Wis.

Manchester Fire: J. L. Rice & Co., Cleveland, Ohio, sole agents; other agencies in Cleveland being discontinued.

Prudential: W. L. Sessions, general agent for Northwestern Georgia and Southeastern Tennessee, with headquarters at Chattanooga.

Royal: D. J. Matteson, manager of the St. Louis office; D. W. Andrews, special agent for Missouri.

State Mutual Life of Worcester: C. H. Trumble, of Syracuse, N. Y., general agent.

Traders of Chicago: John Wocher, Indianapolis, Ind., transferred from Charles F. Sayles.

Mr. George M. Sweney, secretary of the American Surety Company, died at his residence in the city of New York on Saturday morning. Mr Sweney was a veteran of the Civil War and was wounded at the battle of Shiloh. For twelve years he occupied the position of superintendent of one of the most extensive departments of the American Surety Company, and was highly esteemed by the officers of the company and its trustees for his sterling character. His loss will be keenly felt by his associates and friends. He left a widow, but no children. The remains were taken for interment to Washington, where Mr. Sweney resided a number of years and was secretary of the Second Assistant Postmaster-General under President Arthur.

President Dean, of the National Surety Company, has been in Chicago much of the time for the past month, says our Chicago correspondent, and it is understood that a change in Chicago managers has been decided upon. William P. Campbell, who transferred to the National from the City Trust two years ago, is to retire, and it is generally believed that he will be succeeded by Harry W. Overman, Illinois manager of the Maryland Casualty, who has been anxious for some time to add a surety company to his line.

Mr. William J. Dutton, president of the Fireman's Fund, spent several days in Chicago this week, and on Monday met all the special agents of the central department at a dinner at the Union League Club tendered by Marshall & McElhone, the managers. Mr. Dutton cheered the Fireman's Fund baseball team on to victory Saturday, when it defeated the Greenwich, with Manager Hubble at first base, by a score of 26 to 23.

Ex-Attorney-General Monnett, of Ohio, who persecuted the fire insurance companies viciously during his term of office, sought a nomination for Attorney-General from the Ohio Democratic State Convention this week and was badly defeated. He is a Republican and was turned down by the Republican State Convention when he sought a renomination in 1899.

Mr. A. C. Utter, superintendent of the Michigan agents of the New England Mutual Life, will remove to Boston, Mass., in August, in consequence of his promotion to the inspectorship of the company's agencies all over the Union.

Mr. J. H. Lenehan, chairman of the governing committee of the Western Union and general agent of the Phenix of Brooklyn, has given notice of his intention to retire from the Insurance Survey Bureau of Chicago.

Mr. Charles H. Law, of the Law Brothers agency at Cincinnati, has retired from the active control of the business there, but retains his interest. He is succeeded by Major James M. Foley, from St. Louis.

Mr. J. F. Dowing, of Erie, Pa., will deliver the annual address before the Fire Underwriters' Association of the Northwest at the annual meeting in September.

Ex-Governor Pingree had $125,000 life insurance distributed as follows: Mutual of New York, $10,000; Mutual Reserve Fund, $15,000; New York Life, $100,000.

Mr. J. D. Bremer, former Western manager of the Manhattan Fire, has been appointed secretary of the Erie Fire insurance company of Buffalo.

Ex-Southern Manager Dargan, of the Imperial, has been visiting England, presumably for another company.

President Edward F. Beddall, of the Queen, will make a visit to England this summer, and is booked for the Majestic, which sails July 17.

Mr. George W. Partridge, fire insurance agent at Detroit, Mich., died July 2.

Miscellany.

Fire Insurance Conditions in the South—Increasing Withdrawals from the Field.

(*Insurance Field, July 4.*)

The Southern field is just now a source of anxious speculation among managing underwriters. Local conditions are so bad in all of the States where the S. E. T. A. is barred that companies are actively retrenching in their operations therein. In some States where the association has jurisdiction high losses and burdensome town licenses contribute to the general depression. These conditions are forcefully brought to light by the action of the Hamburg-Bremen in retiring from a number of Southern towns. General Agent Pattillo, of that company, is a cautious underwriter of ripe experience, who justifies his action by giving a keen, logical survey of insurance conditions now existing in the Southern States. Mr. Pattillo's comments are decidedly pessimistic, yet are none the less true, and will be read with profit and interest by all connected with insurance affairs of the South. He says:

"Conditions generally are very bad in the South, and have been for several years past, but the conditions affecting insurance interests the present year so far break all records. These conditions result from various causes, but mainly from harmful legislation in the South, where unjust, onerous and unequal laws have been passed in most of the States regarding the conduct of the insurance business. No other legitimate, necessary business is so unjustly and unequally taxed or so hampered by so-called 'legal' restrictions and requirements, or has so little chance of success in contest at the bar of justice. Hence, when local conditions in many places in these States have been unsatisfactory, many of us feel that it is a time when we should exercise extreme caution where we shall continue our efforts for business.

SOUTH CAROLINA A SAMPLE.

"The legal requirements in South Carolina are unusually burdensome and unjust. Being deprived there by law of anything akin to agreement or expression of opinion among companies, co-operation is a matter of doubtful chance. We are obliged to exercise unusual caution to do a business of questionable promise, for by judging the State by experience of a term of years past there is little hope of realizing any profit in the future. Greenville, the second city in the State, has made a record for losses in number, amount and excessive claims that challenges comparison. The taxes there are exorbitant, their fire department has been a disappointment, and their rates are low enough for a city of first-class protection and record.

WHAT IT MEANS TO DRIVE THE COMPANIES OUT.

"Other companies are trimming out in a number of Southern States, and this process is bound to continue until the citizens of certain localities will find in time that such a reaction will have taken place that competition will have placed the few companies left to do the business in a position where they can and will demand their own terms. It has come to pass already by reason of onerous legislation that competition only really exists in any active form in the well protected cities. It is getting to be difficult for the resident or business man of a small town or village, or in the country, to get any insurance at all, for the reason that under the laws of most Southern States a company cannot contract with a citizen on terms of mutual agreement and satisfaction and have such contract enforced by the courts. These conditions have driven many companies out of the small towns and country places, and they will continue to withdraw until the burden will fall on the people because of inability to get insurance.

FEWER COMPANIES THE RESULT.

"No other business on earth recognized as necessary to the commerce and prosperity of a people was ever so unjustly environed, hampered, outlawed and excessively taxed. And these conditions have increased to such an extent year by year during the past ten or fifteen years that the future outlook is alarming; because if continued it must result in the retirement of millions of capital for more profitable investment. It is shown now from the most perfect statistics obtainable that 60 per cent. of the millionaire companies show a profit combined of less than 1 per cent. on the premium income, or 99 per cent. of losses and expenses in the past ten years. What is the inducement for them to continue their capital under such results?

LOCAL COMPANIES HAVE BEEN RUINED.

"To verify these statements it is only necessary to look at the record to-day in the South of the local State companies that have sprung up in the past twenty-five years under the promising encouragement of local patronage and ownership. How few of them are left. Within my recollection of a few years nearly all of them have retired and disappeared from the scene, some utterly wrecked, some of them retired honorably in badly crippled condition, some retired by reinsuring their liability with some of the big companies; others still continue the unequal struggle, almost looking death in the face, while one or two rare exceptions may be found now and then in wholesome condition. This is true as to all of our Southern States. In Georgia we have only three companies left, two having made their record before the war, when competition was scarce and no insurance supervision was provided by the politicians.

EXCESSIVE MUNICIPAL TAXATION.

"In addition to State requirements the various municipalities throughout the South, with few exceptions, vie with each other as to which shall charge the largest license. In towns where companies hope to get $200 to $1,000 each in premiums, the average company getting $400, we find the town license $25 to $50, or a percentage of local taxation amounting to from 2 to 10 per cent. of a company income. Then when cities like Montgomery charge a license of $400 where the average company income is not over $2,000 to $2,500, we have a tax of 20 to 25 per cent.

"We shall curtail our business and await developments, making practically no changes in policy of business where an agency has shown any profit in a term of five years, and where the volume of income is such as to warrant the continuance, expenses considered.

WHERE IT AFFECTS THE PUBLIC.

"My contention is that the general public are going to suffer in time on account of the ills I have mentioned. A little temporary advantage now and then in some individual rate will amount to nothing, and such a temptation on the part of legislators to force a reduction of rate by legislation is a delusion and a snare. Take the experience in Atlanta, for instance. A few years ago this city had come to be called the Hartford or New York of the South, because of the establishment of departments here for the convenience and accommodation of their Southern business. After a trial of a few years we find them retiring under necessity of reducing expenses and concentrating again at their home offices. Some half a dozen prominent companies have retired their Southern departments from Atlanta, and others from other cities in the South. The general public do not realize what a loss this is to their city or section. These companies have their bank accounts here and in other cities South, where they have Southern headquarters, depositing and disbursing large amounts of money, millions in the aggregate."

The towns from which the Hamburg-Bremen has been withdrawn are:

Georgia—Covington, Eatonton, Marietta, Whitman and Washington.

Alabama—Demopolis, Greenville, Opelika, Tuscaloosa and Tuskegee.

Louisiana—Alexandria.

Florida—Jacksonville.

South Carolina—Greenville, Walhalla, Orangeburg, Bennettsville, Blacksburg and Union.

In most of these towns the business of the company was reinsured. The Hamburg-Bremen is also contemplating retiring from Shreveport and Monroe, La., and other towns in South Carolina.

Disastrous Results of Fraternal Insurance in Missouri—Failure of Nearly 300 Organizations of That State.

Insurance Superintendent Orear, of Missouri, in the thirty-second annual report of his department, speaks of the experience of fraternal life insurance in his State as follows:

The enormous proportions to which several fraternal organizations have grown during recent years and the large number of our citizens who are relying upon this class of institutions for protection for their families are considerations demanding that more than passing attention be given them. The good these associations do when their beneficence is ex-

tended to a stricken family not infrequently shields them from destitution, and must not be disparaged.

Prior to June 20, 1897, in Missouri these associations were entirely exempt from the supervision of the insurance department and from the operation of all insurance laws. In 1897 an act was passed providing for supervision, but its provisions did not surround the citizens with that protection which the laws of a State should provide. No standard of solvency is fixed by the statutes and but little discretion is lodged with the superintendent in passing upon the merits of associations seeking admission to do business. It would be unwise, if indeed not reckless, to ignore the lesson which the past history of these organizations in Missouri teaches. During the twelve years prior to 1897, when such associations were entirely exempt from all insurance laws, there had been 346 such associations organized and incorporated in Missouri, of which less than fifty were in existence to qualify when the law providing for supervision went into effect in June, 1897.

How much disappointment and even distress may have followed the failure or discontinuance of the 300 institutions of course can never be known. In the period since the enactment of the law referred to above no less than thirty-two Missouri associations, as well as a number of associations of other States which were doing business in 1897, have, for various reasons, gone out of existence or ceased to do business in Missouri. It is a melancholy reflection that with the demise of each of them there also died the last hope of many men to provide for their families when they were no longer here to earn a living for them.

Official Reports.

Rhode Island Life Insurance Report.

Insurance Commissioner Gray, in the annual report of the Rhode Island Insurance Department upon life insurance in that State, has the following to say of the industrial business:

These "industrial" policies are, for the most part, written upon the lives of children and the laboring classes of people, and are not written, ordinarily, for more than $500; in fact, I think the large majority are for much smaller amounts, and might not average $250. The average amount of those written during 1900 is found to be $173. The premiums, which are usually paid weekly, average about 10 cents per week.

The fact that so many citizens of the State are carrying this class of insurance is evidence that the working people are aware of its beneficent results. It is, properly speaking, a system of life insurance based upon the average earnings of the industrial classes and the ability to pay out of such earnings for protection. The premiums, being paid at weekly intervals, are correspondingly small, and policy-holders do not find much difficulty in paying them.

The importance of the business of industrial insurance is apparent. The four companies operating in the State wrote a greater amount of insurance during the year 1900 than the thirty-one "old line" companies, and that, too, notwithstanding the fact that the "industrial" business is, as compared with the "old line" business, in its infancy. Its importance leads me to make some suggestions with a view to correcting certain abuses which are known to exist, and of which the victims are for the most part in circumstances which do not warrant their being subjected to them.

I am quite certain that the officers of the companies do not countenance the misstatements of some of their agents, but the fact remains that many such agents do not invariably confine themselves to the truth when soliciting insurance. The fact that a policy of insurance will afford protection for a certain amount, upon payment of a fixed sum at stated intervals, and the other advantages which accrue to the insured, ought to be sufficient inducement for persons to insure without resorting to the imagination for proof that it is "a good thing," as is done in many cases. Of course, the lack of sufficient experience in business, and of the proper education, as a rule, of the industrial classes, makes this condition possible; but companies should see to it that their agents properly explain to prospective insurers the exact conditions under which the company will insure them, under what conditions they will be entitled to benefits and the amount of such benefits; in a word, they should aim to explain to them most clearly the provisions of the contract which they offer.

That they do not do this is evident by the fact that a great many of this class of policy-holders have a totally wrong conception of the benefits to be derived from their policies of insurance. I have had occasion to talk to many such persons, and their answer to my inquiry as to the source of their information is almost invariably "The agent told me so." Such misrepresentations often work hardships; and, as the purpose of life insurance is to "render assistance in time of need," I think it is the duty of companies to insist that their agents shall confine themselves strictly to the truth, and that they ought to impress upon the minds of their policy-holders that the only obligations by which the company is bound with respect to the insured will be found in the policy of insurance.

Illinois Fire Insurance Report.

The Illinois Insurance Department has issued its fire insurance report. The only recommendation Superintendent Yates makes is for the creation of a State fire marshal by the Legislature. He says:

The result of the operation of the act of 1897, enlarging the powers of the fire inspector, does not appear to have been as beneficial as was expected. Undoubtedly this account has accomplished substantial results, but not to the extent anticipated; nor does it seem that it has been possible under this act to reach the result it is possible to accomplish by proper measures along the lines of prevention and suppression of fires.

The superintendent in several previous reports has endeavored to present the importance of such effective legislation as will diminish the large number of fires occurring in this State which are due to carelessness or other preventable causes and to incendiarism. It is well known that a large part of the annual fire waste is attributable to these causes.

Legislation directed to the prevention or suppression of these causes will benefit the State by saving annually a very large amount of its material wealth and taxpaying property, and will benefit the insured by effecting a reduction in his premiums. It is confidently believed that enactment of a law providing for a State fire marshal will accomplish this result. This belief is based on the experience of such a law in other States.

It is stated on reliable authority that in the Commonwealth of Massachusetts, where a law of this character has been in force, the aggregate losses in the State during five years preceding the establishment of the office of fire marshal was $10,000,000 greater than for the five years of its existence, and that the percentage of incendiary fires in the State was reduced from 33½ per cent. to 5 per cent.

On the subject of the litigation now going on over the 2 per cent. tax on gross premiums of companies other than life, the superintendent makes the following statement:

In the examinations made to verify the correctness of the returns to the department of premiums received for the purpose of taxation under the provisions of the act of April 19, 1899, it was ascertained that in reporting premium receipts many companies had deducted return premiums and premiums on reinsurances, thereby reporting for taxation net premium receipts instead of gross premiums received.

The title of the act under which the returns were made and under which the tax was to be assessed is "An act providing for a tax on gross premium receipts of insurance companies and associations other than life." The provision imposing the tax requires every company to which the act relates to "pay to the insurance superintendent as taxes 2 per cent. of the gross amount of premiums received by it for business done in this State, including all insurance upon property situated in this State, during the preceding calendar year." There is no provision in the law for the reduction of return premiums or premiums on reinsurances. In the opinion of the superintendent the amount of tax imposed by the act upon a company is 2 per cent. of the gross premiums received by it during the preceding year without deductions. The intent or purpose of the act as expressed in its title is to provide for the taxation of companies and to make the "gross premium receipts" the basis for determining the amount of tax payable. The words "gross premium receipts" have a well defined and accepted meaning in the insurance profession. This meaning contemplates no deductions of any character whatever from the premiums received. Neither does the phraseology used in the act justify a construction permitting deduction. When considered in their relation to gross premiums received, return premiums are disbursements, otherwise the conclusion would be that because a company paid in

1900 a return premium of $100 on a policy written and paid for in a previous year, therefore it did not receive $100 of premiums on one or more policies actually written in 1900, and the premiums on which were in fact received by it during that year, which would be contrary to the fact and unwarranted. The construction of the law by the department and the contention on the part of the companies involved the payment of the tax of 2 per cent. on the difference between the amount of gross premiums received and the amount of net premiums received in this State.

Desiring to facilitate the submission of the question to judicial decision, the superintendent accepted payment under protest of the amount of taxes in dispute. Subsequently proceedings were instituted in the Circuit Court of Sangamon County by the German-American insurance company of New York and other companies to restrain the superintendent from paying into the State treasury the disputed taxes paid under protest, and to compel him to refund them to the companies which paid them. A temporary injunction was granted, which, upon motion made and argued, was afterward dissolved and the bill thereupon dismissed. An appeal to the Supreme Court from this decree was taken by the complainant companies, where the case has been argued and is now pending.

The department has made and is making an effort to suppress the "unauthorized and illegal business carried on or attempted by companies organized with a deliberate purpose to evade the laws and without the financial ability to either comply with the requirements of the statutes or furnish bona fide and reliable insurance," and speaking of the requirement of proof to enable the department to proceed against the offenders, Mr. Yates says:

This latter, from the very nature of the case, is more difficult to accomplish. The department in such a matter cannot effectively act on information or complaint of a general character that an unauthorized company is soliciting or doing business in this State. It is necessary to obtain information of specific acts and then secure proper evidence in support thereof. Nevertheless, the department has succeeded, by quo warranto proceedings, in the circuit courts of the State, in obtaining judgment of ouster and fine of $5,000 each against the following named companies, which were undertaking to carry on their business in this State without being licensed or authorized by the department:

Michigan Manufacturers' Mutual Fire insurance company, Bay City Michigan.

Commercial insurance company, New Albany, Ind.

Continental Fire insurance company, Fort Worth, Tex.

Vernon Insurance and Trust Company, Indianapolis, Ind.

Informations have also been filed in similar proceedings and cases are now pending in the courts against the following named companies:

Washington insurance company, Washington, D. C.

Commercial Fire insurance company, Wilmington, Del.

Minneapolis Fire and Marine insurnace company, Minneapolis, Minn.

Virginia State insurance company, Richmond, Va.

In addition to these, five suits have been instituted and are now pending against certain individuals who have acted as agents for the above named Continental Fire insurance company of Fort Worth, Minneapolis Fire and Marine insurance company and the Virginia State insurance company, and for the Patriotische insurance company of Germany and the Southern insurance company of Atlanta, Ga. Under the statute the offense of acting as agent for the transaction of business in this State for a company which has not received a license to carry on its business in the State is punishable by a fine of $500. These suits have been brought in the names of the State's attorneys of the respective counties where the violations were committed for recovery of the penalty prescribed in the statute.

New Hampshire Insurance Report.

The following are extracts from Insurance Commissioner Linehan's report for 1901, being the thirty-second annual report of the New Hampshire Insurance Department. Upon the subject of life insurance he says:

Since the appointment of the present commissioner in 1890, there have been no failures among the life insurance companies authorized to do business here. There have been few complaints of their not meeting their just obligations. Occasionally a little dissatisfaction finds expression in a letter to the commissioner, but these exceptions to the rule are confined more to agents of rival companies than to the company's policy-holders.

The maturity of an endowment policy sometimes brings with it a little feeling, for the reason that the amount payable is not so large as the policy-holder expected, or as the latter claims the agent promised when he placed the insurance. The person surviving long enough to receive payment on an endowment policy very often forgets that he has had his life insured, as well as an investment, which the company would have had to pay in full to his beneficiary in case he died after the payment of the first premium.

Two things persons having insurance placed on their lives ought to remember:

First, to read their contracts carefully before accepting them. If the terms are not understood, let them seek information of someone who can make them clear. Companies cannot be held responsible for the promises of their agents. All the policy-holders can expect or the law will exact is the amount written in the contract, with the accumulations from dividends and other sources named therein. What the latter may amount to is purely a matter of estimate and is no part of the contract itself. These reflections have been evoked by two complaints made within ten years, of the nature described, accompanied with the request that the commissioner revoke the licenses of the companies. In each case the parties feeling aggrieved were respectfully referred to the State court for a remedy. If the decision was in favor of the policy-holders, and the company refused to abide by it, then the commissioner could take action.

Second, policy-holders should pay their premiums on or before the date on which they become due. As a rule it is safer to pay before. Prompt payments are insisted on in the contract, and the penalty for failure to do so is the lapse of the policy. This has also been the occasion of some of the complaints, but if the rule in enforcing payment of premiums among insurance companies, at the time they are due, was general, and applied to all kinds of business, many leeches who beat their way through the world, living very often on the fat of the land, would either be obliged to go to work, starve or enter the poorhouse.

So far as known, all just claims against the life insurance companies are paid promptly and in full. With a knowledge of this latter fact, the necessity for the prompt payment of premiums when due is obvious, and the companies are justified in enforcing the penalty when the terms of the contract are not complied with. Did they not, it would be impossible to meet their obligations on time.

The decay of assessmentism in New Hampshire elicits the following comments from the commissioner:

The assessment life business is practically dead, in its old form, and its ending, in many instances, was anything but honorable to its management. It reappears occasionally, however, under the guise of fraternal insurance, using the name of the latter to escape supervision, but following the old methods of the former.

Several associations of this character have been refused admission to this State on the ground that the salaries paid the officers, as well as the general expense of management, was not such as to justify their classification as fraternal associations. Others had been admitted before their true character was discovered, and to prevent the continuation of this the law was amended. One illustration will serve to prove what has been written regarding them, and at the same time show the fallacy of classing such organizations as fraternal, even when incorporated as such under the laws of other States.

The following tabulation gives the comparative loss and expense accounts of several of them for the year 1900. Instead of giving their names they are numbered:

	Losses Paid.	Expense of Management.
No. 1	$2,688.00	$9,108.00
No. 2	8,727.00	25,116.00
No. 3	9,618.00	25,448.00
No. 4	37,033.00	53,668.00
No. 5	25,600.00	34,337.00
No. 6	64,282.00	79,892.00
Totals	$147,948.00	$227,569.00

From this table it can be seen that the beneficiaries received $147,948, while the officers, agents and other employees received $227,569, less the amount paid for stationery, etc., being $79,621 more than the sum paid beneficiaries. The reader can see at a glance how much fraternity there is about associations like these. Nevertheless, one of them appealed to the New Hamp-

shire courts, claiming admission as a fraternal association, when license was refused by the insurance commissioner.

The comparison table showing results in fire insurance in New Hampshire in the fifteen years preceding and the fifteen years succeeding the adoption of the valued policy law is reproduced, but without the customary comments. Complaint is made that the 1900 loss ratio was the highest of any year since 1885.

HANOVER

Fire Insurance Company

OF NEW YORK.

Agencies In all the Principal Places In the United States.

Provident Life and Trust Co.

OF PHILADELPHIA.

The best in Life Insurance is likely to be the cheapest. The same fidelity, skill and care which are necessary to guarantee the future security of a company result in the lowest cost. A good test, therefore, is to determine whether the organization and the surroundings of a company exclude all doubt as to future security. In determining this the question of cost is determined also. THE PROVIDENT LIFE AND TRUST COMPANY invites inquiry as to its organization and the provisions for safety afforded. For the full period of its existence the death rate has been only .614 of the rate indicated by the authoritative tables.

The Largest Fire Insurance Company in Germany.

MAGDEBURG—

FIRE INSURANCE CO.

OF MAGDEBURG, GERMANY.

ESTABLISHED 1844.

United States Branch, Magdeburg Building, 17 William Street, New York

PAUL E. RASOR, Manager. AD. DOHMEYER, Ass't Manager.

QUEEN

Ins.Co. of America.

NEW YORK.

Lion Fire Insurance Company,

84 QUEEN ST., CHEAPSIDE,

LONDON, ... ENGLAND.

United States Branch: Hartford, Conn.

Western Assurance Company,

HEAD OFFICE—TORONTO, CANADA.

INCORPORATED 1851.

Hon. GEO. A. COX, President.

J. J. KENNY, V. P., and Managing Director.

UNITED STATES STATEMENT, JANUARY, 1901

Assets	$2,016,370.78
Surplus in United States	638,430.59

Scottish Union & National Ins. Co.

ESTABLISHED 1824.

No. 35 St. Andrew Square, Edinburgh, Scotland.

No. 3 King William Street, E. C., London.

United States Branch: Hartford, Conn.

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.

FOUNDED 1792.

Assets, January 1, 1901		$9,583,791
LIABILITIES—Reserved for Reinsurance and all other claims	$4,805,254	
Capital Stock	3,000,000	
Surplus over all Liabilities	1,778,537	$9,583,791

Agents in all the principal towns and cities.

CHARLES PLATT, President. EUGENE L. ELLISON, Vice-President.

GREVILLE E. FRYER, Secretary and Treasurer. BENJAMIN RUSH, Second Vice-President.

T. HOUARD WRIGHT, Marine Secretary. JOHN B. ATWOOD, Assistant Secretary.

Offices in New York: Fire, William and Pine Sts.; Marine, 63 Wall St.

The Union Central Life Ins. Co.,

CINCINNATI, OHIO.

Assets, January 1, 1901,	$26,440,297.28
Surplus,	3,693,343.46

No Fluctuating Securities. Largest Rate of Interest. Lowest Death Rate

Endowments at Life Rates and Twenty Payment Guaranty Policies Specialties.

Large and increasing Dividends to Policy-holders. DESIRABLE CONTRACTS and GOOD TERRITORY open for LIVE Agents.

Address JOHN M. PATTISON, President.

Phœnix Mutual Life Insurance Co.

OF HARTFORD, CONN.

ORGANIZED IN 1851.

Assets, January 1, 1901	$13,278,711.73
Surplus at Four per cent	564,656.73

Total Paid Policy-holders over

—$42,500,000—

ACTIVE AND INTELLIGENT MEN WANTED AS AGENTS, with whom liberal contracts will be made. Desirable territory now open. The new plans of the Company are brief, clear and liberal. Life and Endowment Policies have endorsed upon them definite cash, loan, and paid-up values, and in case of lapse, insurance is extended without action on the part of the insured.

J. B. BUNCE, President. J. M. HOLCOMBE, Vice-President.

C. H. LAWRENCE, Secretary.

NEW YORK OFFICE: WEED & KENNEDY, Managers, 149 Broadway.

ÆTNA

LIFE INSURANCE CO.

MORGAN G. BULKELEY, PRESIDENT

Largest Company in the World doing Life, Accident and Health business

ASSETS, OVER . . . $56,000,000.

MOWRY and PATTERSON, Managers Life Department.

GEORGE C. STERLING, Manager Accident Department.

Continental Building, 46 Cedar Street, NEW YORK CITY.

H. L. PALMER, Pres't.
J. W. SKINNER, Sec'y.

THE

ORGANIZED 1857.

Northwestern Mutual Life Ins. Co.

PURELY MUTUAL AND TRANSACTS BUSINESS ONLY IN THE UNITED STATES.

LOW MORTALITY. & ECONOMICAL MANAGEMENT

STATEMENT, JANUARY 1st, 1901.

Assets	$139,512,166
Liabilities, including $23,360,346 approximate surplus accumulations held to meet tontine and semi-tontine contracts	133,945,513
General Surplus	$ 5,566,653
Income during 1900	$ 27,160,804
Insurance Written during 1900*	$ 65,345,814
Insurance Gained during 1900*	42,552,954
Insurance in Force*	529,647,290

* Including only business actually paid for.

NO REBATING PERMITTED.

BEST RESULTS TO POLICY-HOLDERS. MOST ATTRACTIVE POLICIES.

Business Accepted Only From Regular Agents of the Company.

For Further Information, or an Agency, address:

WILLARD MERRILL, Vice Pres't and Sup't of Agencies, Milwaukee, Wis.

THE Fidelity and Casualty Company,

97-103 CEDAR STREET, NEW YORK CITY.

Assets, $4,106,243.50. Surplus, $928,838.15.
Losses Paid, $12,669,408 09.

CASUALTY INSURANCE SPECIALTIES:

Bonds of Suretyship for persons in positions of trust, Personal Accident, Plate Glass, Boiler, Elevator, Employers' and Landlords' Liability.

OFFICERS:

GEORGE F. SEWARD, President,
ROBERT J. HILLAS, Secretary and Treasurer,
HENRY CROSSLEY, Assistant Secretary.

THERE ARE FEATURES IN THE FIFTY-THIRD ANNUAL REPORT OF

The Penn Mutual Life Insurance Company

Of interest to all engaged in life insurance work.
A copy on request.

THE PENN MUTUAL LIFE INSURANCE COMPANY,
921-925 CHESTNUT STREET, - PHILADELPHIA.

The Agricultural Insurance Company of Watertown, N.Y.

ESTABLISHED 1853.

Assets, January 1, 1901		$2,283,558.42
Total Liabilities except Capital	$1,240,017.87	
Joint Stock Capital	$500,000	

London Assurance Corporation,

CHARTERED A. D. 1720.

SURPLUS IN U. S. JAN. 1, 1901, $838,698.68

CHAS. LYMAN CASE, Manager.
4 PINE STREET, - - - - - NEW YORK.

Chartered 1866. 33 Years Successful Business.

The Hartford Life Insurance Co.,

HARTFORD, CONN.

Every desirable form of up-to-date contract is issued by this old and sterling company.
All rates and values guaranteed in the contract,
$18,500,000 Paid in Benefits.
Ratio of Assets to Liabilities, $142 to $100.
GEO. E. KEENEY, President CHAS. H. BACALL, Secretary.

Instituted in Reign of Queen Anne, A. D. 1714.

Union Assurance Society of London

No Overhead Writing

No Dual Agencies.

Loyalty to Local Agents.

United States Offices: Society's Building,

85 Pine Street, New York, ... Hall & Henshaw, Managers
171 La Salle Street, Chicago, . . . Hall & Henshaw, Managers
35 Kilby Street, Boston, . . Hall, Henshaw & Gilmour, Managers
English-American Building, Atlanta, Ga., . George N. Hurt, Manager
Mining Exchange Building, Denver, Col., Gerald L. Schuyler, Manager

AGENTS IN ALL THE PRINCIPAL TOWNS AND CITIES.

Sun Ins. Office of London, England.

J. J. GUILE. U. S. MANAGER.

OFFICE 54 PINE STREET, NEW YORK.

ESTABLISHED IN 1822.

THE NATIONAL ASSURANCE COMPANY OF IRELAND.

GEORGE E. KENDALL,
United States Manager,
HARTFORD, CONN.

Caledonian Ins. Co., of Scotland.

FOUNDED 1805.

"The Oldest Scottish Insurance Office."

United States Head Office, 27-29 Pine Street, New York City.

STATEMENT JANUARY 1, 1901.

Assets	$1,910,617.66
Liabilities	1,101,382.62
Net Surplus in the United States	$809,235.04

CHARLES H. POST, U. S. Mgr. N. A. MCNEIL, Ass't U. S. Mgr

The American Fire Insurance Co.,

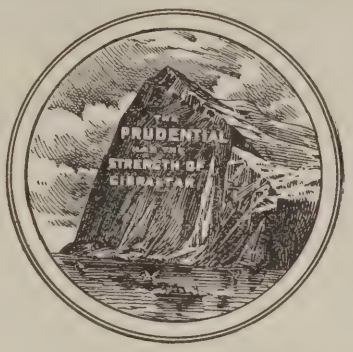
PHILADELPHIA, PA.

CASH CAPITAL	$500,000.00
Reserve for Reinsurance, and all other Claims	1,603,605.54
Surplus over all Liabilities	247,360.42

TOTAL ASSETS, JANUARY 1, 1901..... $2,477,069

THOMAS H. MONTGOMERY, Prest.
RICHARD MARIS, Sec. and Treas. WM. F. WILLIAMS, Asst. Sec.
WM. B. KELLY, Gen. Mgr.

DIRECTORS—Thomas H. Montgomery, Israel Morris, Pemberton S. Hutchinson, Joseph E. Gillingham, Charles S. Whelen, Edward F. Beale, John S. Gerhard, Edward Lowber Welsh, Archibald R. Montgomery.



ORDINARY and INDUSTRIAL PROFIT SHARING POLICIES.

EXCEPTIONAL ADVANTAGES TO

..... Active Agents.

WRITE TO

THE PRUDENTIAL INSURANCE CO. OF AMERICA

JOHN F. DRYDEN, President Home Office: NEWARK, N. J.

The MASSACHUSETTS MUTUAL Life Insurance Company,

INCORPORATED 1851

SPRINGFIELD, MASS.

ASSETS—January 1, 1901	$26,245,622,04
LIABILITIES	23,920,986.53
SURPLUS	2,324,635.51

Definite Paid-up and Cash Surrender Values written in every Policy.

JOHN A. HALL, President. HENRY M. PHILLIPS, Secretary.

New York Office: Empire Building, 71 Broadway.
GEORGE J. WIGHT, Manager.

National Life Insurance Company of Vermont.

J. C. HOUGHTON, President.
JOS. A. DE BOER, Vice-President.
O. D. CLARK, Secretary.

THIS COMPANY HAS GAINED IN THE LAST DECADE,

In Assets, . . .	$12,275,109.34, or 160.96 per cent.
In surplus, . . .	1,089,332 69, or 119.47 per cent.
In insurance, . .	48,102,491.00, or 93.64 per cent.

Sells the Most Modern, Profit-Sharing, Non-Forfeitable Contracts of Life, Term, Endowment and Annuity Insurance. Correspondence from interested parties promptly recognized. Good agency contracts for reliable men.

J. F. MAKLEY, General Manager,
149 Broadway, New York.

The Lancashire Insurance Company

OF MANCHESTER, ENG.

MILTON DARGAN, Manager,

25 Pine Street, NEW YORK.

1846—1901.

THE CONNECTICUT MUTUAL LIFE

Insurance Company.

WHERE THE CONNECTICUT MUTUAL STANDS.

During all the long struggle out of which this situation has developed, and amid the many schemes devised to attract public attention and favor to something else than life insurance, the attitude and position of the Connecticut Mutual has never been doubtful.

It has held to the cardinal facts: Life insurance is for the protection of those dependent on a man's life; their dependence makes it his unavoidable duty. Those dependents we assume to protect by our contract, at his personal cost; our duty to them is to make that protection as large, as secure, and as certainly available to them as possible; our duty to him is to make its cost to him as small as possible.

JACOB L. GREENE, President. **HERBERT H. WHITE, Secretary.**
JOHN M. TAYLOR, Vice-President. **DANIEL H. WELLS, Actuary.**

The Metropolitan Life Insurance Co.

(INCORPORATED BY THE STATE OF NEW YORK.)

"The Leading Industrial Insurance Company of America,"

IS REPRESENTED IN ALL THE PRINCIPAL CITIES OF THE UNITED STATES AND IN CANADA. THE PAYMENT OF OVER 250 DEATH CLAIMS DAILY TELLS OF THE GOOD IT DOES. INSURANCE IN FORCE OF OVER $900,000,000 ATTESTS ITS GREATNESS AND FAVOR WITH THE PUBLIC.

Permanent, Profitable and Progressive Employment.

AGENTS WANTED—Any honest, capable, industrious man, who is willing to begin at the bottom and acquire a complete knowledge of the details of the business by diligent study and practical experience can, by demonstrating his capacity, establish his claim to the highest position in the field. It is within his certain reach. The opportunities for merited advancement are unlimited. All needed explanations will be furnished upon application to the company's superintendents in any of the principal cities, or to the Home Office, No. 1 Madison Avenue, New York City.

JOHN R. HEGEMAN, President.

HALEY FISKE, Vice-President. GEORGE H. GASTON, Second Vice-President. GEORGE B. WOODWARD, Secretary. J. J. THOMPSON, Cashier and Assistant Secretary. JAMES M. CRAIG, Actuary. JAMES S. ROBERTS, Assistant Secretary. STEWART L. WOODFORD, Counsel. THOS. H. WILLARD, Medical Director. A. S. KNIGHT, Assistant Medical Director.

1825. THE 1901.

Pennsylvania Fire Insurance Co.

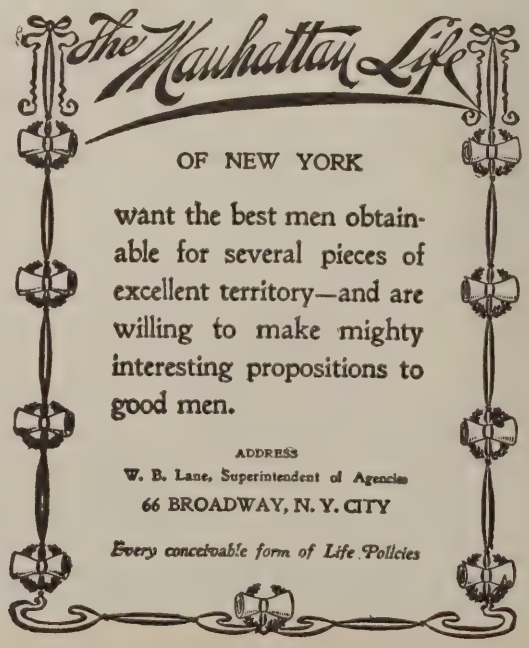
OF PHILADELPHIA.

Cash Capital,	$400,000.00
Re-insurance and all Liabilities,	2,771,038.56
Surplus,	2,163,883.97
Total January 1, 1901,	$5,334,922.53

R. DALE BENSON, Prest. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Prest. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

AN APPOINTMENT AS AGENT FOR THE **CONTINENTAL FIRE INSURANCE CO.** IS A SURE CURE FOR ALL THE WORRIES CARES AND DOUBTS THAT THREATEN AGENTS OF COMPANIES WITH LIMITED ASSETS; CONSTANTLY CHANGING UNDERWRITING IDEAS; OR MANAGEMENT OF UNCERTAIN PERMANENCE.

PRINCIPAL OFFICE, 46 CEDAR STREET, NEW YORK.
WESTERN DEPARTMENT, RIALTO BUILDING, CHICAGO, ILL.



The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

VOL LXV. SATURDAY, JULY 20, 1901. No. 3.

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Checks and money orders should be made payable to the order of THE WEEKLY UNDERWRITER.

A DAILY paper published at Macon, Ga., has a happy thought about how to get even with the fire underwriters, who refuse to rate that city as first class unless it adheres to its agreement to provide an additional fire engine company. If the insurance companies want a superfluous addition to an already perfect fire department, says the Macon paper, let them pay for it themselves, and they can do this in additional taxes. The city already exacts fifty dollars per annum from each; make them pay $150 each, realizing the handsome sum of $8,000, and there you are. It is so easy. It does not appear to have occurred to the Macon paper that even then the underwriters might decline to advance its city to first class, and that they might also stick on additional rates to meet the increased tax.

IT seems to be the inevitable consequence of the reinsurance of a company by another that rumors spread affecting the continuance in business of other companies. These reports, sometimes taking the forms of insinuations and surmises, are almost always entirely baseless, and frequently, we suspect, the product of ill will toward the accused. The malicious liar sees his advantage in times like this, and gets in his nefarious work, and he is assisted, unintentionally of course, by the careless, the credulous and the sensation loving, who pass along the interesting news to their neighbors. The recent withdrawals of such important companies as the Lancashire and Magdeburg from the American field have stimulated the springing up of an unusually large crop of reports of intending reinsurances, and the most stable companies even, in the business, have not been spared. Such statements necessarily injure them to some extent, and they are put to a good deal of trouble in replying to inquiries, both at home and from all over the country. The conscientious citizen will be cautious about helping to give currency to reports which do not come to him from first hands.

WE are sorry to learn from the Tennessee Insurance Commissioner that rebating in life insurance is general in that State "and by many agents has been carried to an extent far beyond the mere giving of a portion of their commissions to the assured." Mr. Folk does not shed light specifically on the meaning of the last accusation, and we are left to infer that Tennessee life insurance agents are not only parting with their entire commissions to obtain business, but are placing the business without cost to the assured. If this is true, no wonder demoralization in life insurance pervades the State. The attention of life insurance companies transacting business in Tennessee is respectfully directed to Mr. Folk's complaint. They can do no better service to themselves and the great trust which has been placed in their care than to send their inspectors into that Southern State and take summary measures to put an end to the abuses. The Insurance Commissioner believes that the custom by companies of offering bonuses to agents turning in stipulated amounts of business is at the root of the rebate evil, and he explains how. We are glad to be assured, on inquiry, that such practices do not exist among the enlightened and conscientious life insurance agents in the East, and regret that the laborers in the Western vineyard are proving so unmindful of their high calling.

THE liability of the insurers for the loss of Tarrant & Co. by the fire and explosion in their Warren street building in October last is in a fair way of being settled in favor of the companies by the indictment of the president and one of the directors of the firm for manslaughter by the grand jury. That body found that death was caused by the explosion of certain chemicals in the building which were there in violation of law, and that therefore the persons who were responsible for the violation of the law are responsible for the death. It is true that the policies to Tarrant & Co. permitted the keeping of "such materials as are usual in the business of wholesale and retail druggists," but these must be articles permissible by law. The underwriter could not license the insured to do what the law expressly prohibited them from doing, and so cannot be held liable for what he could not and did not do. The trial of the indicted druggists will bring out all the facts of the storage of forbidden chemicals and of the presence in the building of any chemicals in excess of the quantities allowed by law and the regulations of the fire department. Only the question of the liability of the insurance companies for the individual loss of Tarrant & Co. is involved in this issue. The liability for the losses of other policy-holders by explosion is another question, upon which light was recently cast by Justice Joseph.

THE laws of Indiana permit the existence of a number of weird insurance concerns which go their own way independently of the State insurance authorities. Any attempt to hold them to account has failed because no legal penalty is attached to their refusal to respond. These companies operate under special charters granted by the Indiana Legislature many years ago. The notorious Fort Wayne, now dead or dormant, was one of them. They are engaged mainly in subterranean transactions. We are moved to these observations by seeing in *Rough Notes*, under the title of "Safe Investment," an advertisement of shares for sale of the reorganized Commercial insurance company of New Albany, doing business under a charter which was issued in 1832 and has

been employed for various purposes since then. It was used for a fire insurance company with the above name in 1899, and now it has passed into new hands seeking for stock subscriptions. The unusual feature in connection with the concern now in possession of the charter, is its policy requiements. We find a summary in the June supplement to Best's Insurance Reports, and commend it to the study of promoters desirous of organizing fire insurance companies which will not be obliged to pay losses:

These policies contain a great many unusual clauses not found in any standard form of policy which would make the collection of claims against the company very difficult. The policy is void "if there be any change in any building, or in the occupancy thereof within one hundred feet of the property described herein, or if any such building shall be or become vacant; or if there be any change in any building or its occupancy in any row of buildings commencing within said one hundred feet." The policy is void if assigned before or after a loss. The "three-fourths value" clause is included. The policy is void until the premium is paid to the company or its agent, authorized in writing, who countersigned the policy—a broker being considered the agent of the assured—and it may be cancelled without the customary five days' notice. If any other company receives a higher rate of premium the amount of this company's policy shall be considered as in proportion to the highest rate paid. Proofs of loss must be filed within thirty days, and must include information which it would be almost impossible to furnish, and if not filed on time or if in any particular they do not comply with the requirements of the policy, it shall be void; "and this company shall not be required to return to the assured any defective proof of loss, nor shall this company be required to point out or specify to the assured any defects or objections to such proof of loss." Loss is not payable until ninety days after proofs are accepted, instead of the usual sixty days. No suit shall be brought until every condition of the policy has been complied with, "nor unless commenced within six months after the date of fire," instead of twelve months, as usual; "and execution shall not issue until after the expiration of three months from the rendition thereof."

Facts and Opinions.

THE *Standard* has information that the program of the proceedings at the next annual meeting of the National Life Underwriters' Association to be held at Portland, Me., in September, is being completed, and that the officiating clergyman will be the Rev. Dr. Henry Blanchard, D.D., of Portland. Colonel Boothby, mayor of Portland, will welcome the convention. On Wednesday morning, September 11, Vice-President Hyde, of the Equitable, will present a paper. Mr. Huling, of the *Insurance Herald,* on Thursday morning will read a paper on "Limitations in Life Insurance." That of Professor Stewart of the Mutual Life, on "The Science of Life Insurance—Its Synoptical Story," will be read on Friday morning. The Calef cup will be presented by Col. John W. Vrooman, of the Provident Savings, and the Ben Williams vase by W. E. Underwood, of New Orleans, editor of the *Vindicator.* At some stage of the proceedings C. G. Hine and R. B. Moyer will explain the details of the Protective Association's system of reporting upon the solicitors. Congressman Littlefield, of Maine, will speak at the banquet. Commissioners Carr, of Maine, and Linehan, of New Hampshire, have been invited. The latter's presence is a little uncertain in view of the G. A. R. encampment in Cleveland the same week. W. H. S. Whitcomb, of Burlington, Vt., the Equitable's bard, will read a poem entitled "The Knight of the Twentieth Century." The subjects of Dr. Martin, of *Rough Notes,* and Henry W. Anderson, of Richmond, Va., a leading lawyer and a director of the South Atlantic Life, have not been announced. The entertainment portion of the program has not been completed, but on Thursday afternoon the local association will take the delegates to Cape Elizabeth for a shore dinner at the Casino, and on Friday afternoon the Union Mutual Life will tender the visitors a sail down the harbor.

AT last Saturday's meeting of the New England Insurance Exchange the executive committee was requested to consider the matter of establishing a charge for the lightning clause, which at present is given gratuitously in the New England States, and also to define on what kind of hazards the charge should attach, if it should be considered advisable to make it. A uniform rate of 2½ per cent. on lunch wagons was adopted. It was learned that the application of the new uniform schedules on special hazards has been completed in Rhode Island, and has been finished for the greater part in Maine and Vermont. About half of the work still remains to be done in Connecticut, while in Massachusetts only Worcester County has been finished. Many of the rates developed by the application of the schedules embody a very large increase over those now in force, but there is a compensating element in the fact that the advance can be scaled down to a very small figure by protective devices which are neither costly nor difficult to effect. In rare instances the application of the schedules has brought about a reduction of rates. None of the rates thus modified have yet been promulgated, as they must first be subjected to the scrutiny of the committees in jurisdiction over the hazards affected. About three-quarters of the advances advised by the committee on unprofitable hazards have been adopted. These advances, it may be remembered, were made by judgment and not by schedule. The Exchange has now adjourned for its summer vacation, which will be broken only by a meeting on August 10. The regular meetings will be resumed on September 14.

THE facts as to the reported intention of the North American Life of Toronto, Canada, to absorb the National Life of the United States, as given by a representative of the first named company to this paper, were as follows: A "syndicate of Chicago men" had obtained an option on the National Life and had offered its business to the North American. Managing Director McCabe, of the Canada company, was carefully going over the business of the National Life, and if he found it satisfactory it was to be accepted. But on Thursday there came a sudden hitch and now it is uncertain if the deal will go through. The interest of Mr. Mabie in these negotiations does not appear on the surface. He resigned the presidency last January to devote his whole time to the Mutual Reserve Fund, as was then announced, and O. D. Wetherell, the largest stockholder in the National, succeeded him as president. The National began business in 1864 on a charter granted by Congress, but fell into the hands of Henry J. Furber some twenty odd years ago and was retired for the purpose of freezing out the policy-holders. It was bought by C. L. Mabie and his associates of the Iowa Life in February, 1900, and put into active operations again. It was stated at this time that they paid $1,800,000 for charter, assets and all. The Iowa Life was shortly afterward taken over by the National, and while these transactions were in progress negotiations to turn Mr. Mabie's other company, the Northwestern Life of Chicago, over to the Mutual Reserve Fund were initiated. The National endeavored to reinsure the American Union Life of New York, but the deal fell through.

THE Interstate Commerce Commission, in its thirteenth statistical report, gives the following returns of railway accidents in the United States in the year ending June 30, 1900:

The total number of casualties to persons on account of railway accidents during the year ending June 30, 1900, was 58,185. The aggregate number of persons killed in consequence of railway accidents during the year was 7,865, and the number injured was 50,320. Of railway employees, 2,550 were killed and 39,643 were injured. With respect to the three general classes of employees, these casualties were distributed as follows: Trainmen, 1,396 killed, 17,571 injured; switchmen, flagmen and watchmen, 272 killed, 3,060 injured; other employees, 882 killed, 19,012 injured. The casualties to employees resulting from coupling and uncoupling cars were: Number killed, 282; injured, 5,229. The corresponding figures for the preceding year were: Killed, 260; injured, 6,765. Ratios based upon the number of

miles traveled show that 64,413,684 passenger miles were accomplished for each passenger killed, and 3,885,418 passenger miles accomplished for each passenger injured. The corresponding figures in these latter ratios for the year ending June 30, 1899, were 61,051,580 and 4,239,200 passenger miles for each passenger killed and each passenger injured, respectively. Our summary shows that in the course of thirteen years ending June 30, 1900, in consequence of railway accidents, 86,277 persons were killed and 469,027 persons were injured. The injuries reported varied from comparatively trivial injuries to those of a fatal character. The casualties for the period mentioned occurred to persons as follows: Employees killed, 38,340; injured, 361,789; passengers killed, 3,485; injured, 37,729; other persons (including trespassers) killed, 44,452; injured, 69,509.

NOTICE was served on the Western Union this week by President Jones, of the Milwaukee Mechanics and Milwaukee Fire, of his intention to withdraw from the organization at the end of ninety days. This will be the first withdrawal since the adoption of separation and graded commissions by the Union. Mr. Jones, in his letter of resignation, said that no reasons for his action were necessary; which is true, under the rule; but he afterward claimed that opposition to the graded commission and separation plan of the Union was responsible for it. He said that the Union had many good points, but he could not agree with it in this, which was so important a part of its work now that he thought he had better get out. This takes the last Milwaukee company out of the Union, and it may be that that body will feel more free to make experiments in that city on rates and commissions hereafter. Mr. Jones' personal affiliations have all been along non-Union lines, he having been connected with the Northwestern National before being elected to his present position. Union managers declare that Mr. Jones' companies must have had at least 50 per cent. of their agencies in separated agencies, and that their plants will be very much disorganized in consequence.

THE report for June of the Boston Manufacturers' Mutual Fire insurance company records a continuance of the favorable experience of that institution, and its July 1 dividend is 92 per cent., while the dividend on sprinkler policies is 88 per cent. With the report is issued a fifteen page circular relating to fire apparatus, viz., pumps, pipes, hydrants, hose and sprinklers, giving descriptions and illustrations of such devices as are regarded as standard by the company. Among the list of June fires is an item showing that Mr. Atkinson does not dread to set up a home office experience as a "horrible example" in a mild way. The item reads as follows:

A parlor match dropped upon the floor of the office of this company and was ignited by the foot of the president. The blaze was immediately extinguished. No claim made. Nearby, however, was two-thirds of a cord of dry pine wood shelving taken from the brick vault in which our books and records have been kept for more than ten years. Dry pine will ignite at 750° Fahr. or thereabout, a temperature not uncommon on the other side of a brick wall exposed to a high heat. We may suggest to our members who still tolerate dry pine shelves in their vaults from force of habit and without thought, either to substitute steel shelving or to put in a sprinkler for their own protection. It will be observed that books of account, records and plans are excepted in our policies and are not covered by the regular form of insurance contracts.

IN a freeze that visited Florida in February, 1899, the sprinkler pipes in a large plant at Jacksonville belonging to the Cummer Lumber Company were frozen and burst. The company immediately set about repairing the sprinkler and used all diligence in doing so; but, owing to the great demand for sprinkler experts, it was unable to complete the repairs before a fire occurred, destroying the entire plant, valued at about $250,000. The property was covered by insurance aggregating $150,000, divided between twenty-five companies, all of which paid without litigation excepting the Associated Manufacturers of Brooklyn. This company resisted the claim on the ground that, the sprinkler system becoming impaired, the "hazard was increased by means within the knowledge of the insured," which voided the policy under lines 14 and and 15 of the "standard form." In the trial of the case before a referee in New York the plaintiff contended that the stipulation providing that "no change shall be made in such system" without the insurer's consent referred to a change by an active human agency and not to an act of God, such as this extraordinary freeze. The plaintiff's views of the case were sustained by the referee and judgment directed accordingly.

THE reinsurance of the United States business of the Magdeburg Fire of Germany and its retirement from this country was announced on Thursday. The reinsuring company is the Springfield Fire and Marine. The deal includes also the outstanding risks of the Magdeburg Fire of New York, which goes into liquidation. The intermediary in the transaction was Sumner Ballard, whose recent successes in this kind of brokerage are rendering him a conspicuous figure in the fire insurance business of the United States. The Magdeburg had been doing business on the Pacific Coast since 1875 when in November, 1896, it was entered in New York and a United States branch was established. Paul E. Rasor, formerly assistant secretary of the German-American of New York, was appointed branch manager, with Ad. Dohmeyer as assistant manager. It covered the United States, and in 1897 its tender, the Magdeburg Fire of New York, was organized with Mr. Rasor as president and Mr. Dohmeyer as secretary. The Magdeburg is the largest fire insurance company in Germany, and its retirement from business in this country is a matter of some importance.

THE mayor of Chicago, complaining that the rich men and corporations were dodging their taxes, so that there was not enough revenue to run the city properly, has ordered a cut of 20 per cent. in the expenditures of all departments, including the fire department. Heretofore this has always been omitted when temporary reductions were to be made, but Mayor Harrison thinks he will bring the matter home to the big corporations better by reducing their fire protection. Fire underwriters of Chicago all say that the companies can protect themselves by their rates, which will certainly be increased; but the danger is that when the companies get to putting the rates up in Chicago they are liable to boost them higher than the reduction in fire protection alone would warrant. Chief Musham had been preparing for an Eastern trip to look into the newest appliances for fire fighting, with a view to improving the city's equipment, when the unexpected order reached him the first of this week.

IN an address to the agents of the Continental President Moore says of the causes of increased fire loss:

This increase in the burning line is probably due to improper electric installations (as to which we ask your special scrutiny) and to the increased use of gasoline for lighting and heating, to say nothing of defective flues, which are being even more carelessly constructed than in former years. As explained in our work, "How to Build a Home," a smoke flue should be surrounded by eight inches of good brickwork, or lined with burnt clay or cast-iron pipe lining. Most of the flues erected to-day are surrounded by only four inches of brickwork, without any lining at all. The result must inevitably be a fire sooner or later, causing loss of life and property. We trust that you will do all that you can to impress upon owners putting up new structures the importance of erecting proper flues, as the additional expense is very light, and the consequences in danger to life and property from improper construction is more serious than they contemplate. Endeavor to persuade owners to build chimneys from the ground, explaining to them the danger of flues resting on brackets or floor beams. Fully 20 per cent. of our losses each year are due to defective flues. We trust that you will also secure proper building laws in your locality, requiring flues to be constructed on the lines of safety we have indicated.

IT is now thought in Brooklyn that when the affairs of the Associated Manufacturers Mutual are wound up a joint stock company will rise from its ashes. President James T. Hoile, of

the mutual company, said to a reporter that the experience of his company proved conclusively that under present legal restrictions in New York mutual fire insurance could not succeed. Being asked what had become of the $125,000 surplus which the company claimed to have had at the time of its last report, Mr. Hoile made the following odd statement:

You ask what has become of the $125,000 surplus which was declared and sworn to in our last annual report. It would take at least a week to explain to a person of average intelligence the intricate workings of the laws of the insurance department in this State. It is enough to say that there have been no losses since that report of such a nature to impair it seriously or to wipe it out.

THE report of the examination of the American Temperance Life Insurance Association of New York, by S. H. Wolfe, for the Minnesota Insurance Department, shows that it is solvent, but Insurance Commissioner Dearth has since written the association that some of its business methods are objectionable, and he makes the suggestion that the contract between the association and the National Security Company be abrogated and also the following recommendation:

In the adjustment and payment of losses I would suggest that the association discontinue the practice of employing an adjuster upon a commission basis; in other words, whose remuneration for services is dependent upon a certain percentage of the amount which he is able to scale the death claims. If the employment of such an official, or party, is necessary, then he should be paid a certain stipulated salary, as surely it cannot be otherwise than injurious to the interests of the association if a premium is offered for the scaling of its losses.

THE line of the Chicago building of Siegel, Cooper & Co. has been given to R. S. Critchell & Co., they having secured a reduction in rate and a rebate by having the firm remove the gas pipe hazard and all screens and make other changes. Coinsurance to the amount of 80 per cent. is carried. On the building $600,000 was formerly carried, under an agreed valuation clause, but the line will now be over $1,000,000. The rate is $1.13, with 74 cents credit, making a net building rate of 39 cents. The new stock rate is 78 cents, a reduction from 90 cents. The risk is equipped, and the building is one of the best in Chicago. A Chicago special to the *Journal of Commerce* of Friday says that the Home of New York decided to cancel its policy on the risk rather than grant the rebate for 80 per cent. coinsurance, and it was then decided to permit the policy to stand at the old rate.

THE following delegation has been appointed to represent the Boston Life Underwriters' Association at the national convention at Portland: S. F. Woodman, Travelers; Darwin Barnard, Penn Mutual; D. N. Holway, Union Central; Percy V. Baldwin, Washington; R. C. Bridgham, Union Mutual; L. H. Hopkins, Mutual; F. C. Sanborn, National of Vermont; D. F. Appel, New England Mutual. Alternates, Francis Marsh, John Hancock Mutual; Courtenay Baylor, Phœnix Mutual; J. B. Niver, Equitable; John S. Cranston, Prudential; James F. Chase, United States; Corwin McDowell, New York; G. E. Williams, Connecticut Mutual; A. H. Curtis, New England Mutual; F. J. Hammer, Provident Life and Trust.

A JURY verdict in favor of Wilhelmine Mieritz against the Metropolitan Life insurance company has been set aside by Judge Phillips, of Cleveland, on the ground that the evidence on trial tended to show that the insurance on the life of the husband of the plaintiff was procured by the woman with fraudulent intent, and that she was guilty of putting him to death with poison in order to obtain the insurance. The amount of insurance on August Mieritz's life was $18,000 in three companies. This is the third time a new trial has been granted the Metropolitan Life in this case.

AT a meeting of the New England Women's Life Underwriters' Association, held at the Parker House, Boston, last Monday, the following ladies were chosen to represent the association at the Portland convention: Delegates, Miss Julia Ardelle Sprague, Mutual Life; Miss Helen M. Fogler, Penn Mutual Life; Mrs. Florence E. Shaal, Equitable; Mrs. V. B. Teakes, New York Life. Alternates, Mrs. Stella P. Drake, Mutual Life; Mrs. Mandell, Mutual Life; Mrs. Judson Hannigan, Mutual Life; Miss E. A. Ransom, of the Standard. At this meeting Mrs. Hannigan read an essay upon "The Ethical Side of Life Insurance," which proved of much interest to those present, and elicited considerable discussion.

THE Provident Savings Life, in its mandamus proceedings against the Massachusetts insurance commissioner in the matter of the valuation of the one year term contracts, is represented by L. S. Dabney and Reginald Foster, of the Boston bar, both experienced lawyers, the latter being the present regular counsel of the New England Mutual Life. It is possible that ex-Speaker Thomas B. Reed, special counsel for the Provident Savings Life, may take part in the arguments. The Commonwealth will be represented by Attorney-General H. M. Knowlton, who told Commissioner Cutting that a good deal could be said on both sides, and something more not divulged.

ANOTHER warning against the dangers of "jump" settlements has been furnished by an appraisal recently concluded at Crookston, Minn. There was a fire in the store of the Finch-Smith Company June 15, and claims of $24,000 were made. This was later scheduled at $19,000. This was considered excessive, and an appraisal was ordered; but finally the claimants made an offer to settle for $10,000, which was accepted by all the companies but two. These insisted on an appraisal, and the award was $5,018; so the other companies paid nearly twice the proper amount by being in a hurry.

AT the twenty-ninth annual meeting of the New York State Association of Supervising and Adjusting Agents, held at Frontenac, N. Y., July 9 and 10, officers were elected as follows: President, James T. Ryan, of New York; vice-president, A. W. Selkirk, of Albany; secretary and treasurer, J. Lloyd Green, of New York; executive committee, R. H. Dolson, of Middletown; E. H. Hornbostel, of New York; William Gilmore, of Boston; F. I. Crisfield, of Rochester; C. C. Green, of Poughkeepsie; E. J. Haynes, Jr., of New York, and A. Z. Martin, of New York.

A PRESS despatch from Beloit, Wis., says that the local insurance order, the Home Forum, which after the failure of that organization was merged into the Safety Fund Insurance Society of Syracuse, N. Y., has decided to withdraw from that society, and claims that there have been gross misrepresentations made to it concerning the Eastern organization. The failure of the Home Forum will leave a number of persons without life insurance and too old to enter other societies.

THE committee of Louisville insurance men to take care of the visiting members of the fraternity, on the occasion of the Triennial Conclave of Knights Templar next month, are Louis N. Geldert, of the *Insurance Herald*, chairman; Col. William C. Nelson, Young E. Allison, of the *Insurance Field;* Donald Macpherson, John S. Noyes, Tracy Underhill, A. H. McAtee, John C. Davidson, H. J. Powell, Willis S. Mullen and Charles L. Nelson, representing all classes of the insurance business.

A PINE STREET report that Johnson & Higgins had secured control of the Boston insurance company, the well-known Mr. Price acting as "intermediary," meets with an emphatic denial at the office of the alleged purchasers. It is believed that President Fuller, of the Boston, would prefer to keep the company in his family, and that therefore it is not for sale. There is a continuous trail of rumors to Mr. Price's movements.

A San Francisco special dispatch to the *Journal of Commerce* says that the fire patrol returns place the six months' premiums in San Francisco at $1,529,958. This is a gain of $417,000 over the same period of 1900, but is about $100,000 less than in 1898, when the term business was being rewritten. As the rates have been considerably reduced, this year's figures indicate a large increase of new business in three years.

The Ætna Life Building at Hartford is to be improved at an expense of $100,000. It was formerly the building of the Charter Oak Life, and cost about $800,000 to build. When that company failed the Ætna Life had to take the building for a mortgage for $225,000, and $25,000 was spent to adapt it to the purchasers' uses. It is one of the most valuable of the company's investments.

The *Life Insurance Independent*, whose editor is at Des Moines, says that the Iowa Insurance Department denies any knowledge of the claim that the differences between the department and the Mutual Reserve Fund "have been happily settled, and that the association will soon be examined with a view to its readmission to that State."

The following important appointments have been announced at the home office of the Commercial Union Assurance Company of London: E. Roger Owen, general manager of the fire, life and accident departments; G. C. Morant, manager of the fire department; A. D. N. Turnbull, actuary, and J. N. Lane, manager of the accident department.

It was announced in fire insurance company circles to-day that the Imperial Insurance Company of London, which it was published two months ago would withdraw from the United States, has reinsured all its business with the Home Insurance Company of New York.—*Atlanta Journal of Monday.*

Manager Belfield publishes a denial of this statement in an address to agents dated June 18.

The line of the John P. Squire Corporation, of Cambridge, Mass., aggregating some $2,500,000, the placing of which after the failure of the corporation was given to John C. Paige & Co., of Boston, has since the reorganization of the concern been transferred back to W. A. Muller, of that city, who formerly placed the business.

The Insurance Directory and Business Chart of Baltimore, Washington and the States of Delaware, Maryland, Virginia and West Virginia for 1901 has been published by James H. McClellan, Baltimore, Md., and contains the company and agency lists, statistical returns and insurance laws of the territory covered. Price $1.

Twenty thousand members of the endowment rank of the Knights of Pythias, or almost one-third of the entire present membership, are expected to give up their policies and abandon their insurance, as the result of the raising of the rates by the Supreme Lodge at its recent meeting at Chicago, to pay off the debts of the rank.

A court decree has been signed for the final distribution to the members of the Maine Benefit Life Association of the funds in the hands of the receivers. By this decree a dividend of 3.60 per cent. of the amount paid by each member who is entitled to participate in the distribution is returned to him.

A Kansas City local agent has brought proceedings to test the validity of the city ordinance taxing insurance agents $100. He claims that the tax is unreasonable and is a discrimination against fire insurance agents, all other classes being licensed under the city ordinance by the payment of a fee of $25.

The indomitable Percy B. Sullivan, professional insurance swindler, who recently broke jail at Alexandria, La., has turned up in Illinois, busy as ever, under the name of D. A. Graham, special agent of an alleged fire insurance company, selling policies and collecting premiums therefor. He was last at Flora, Ill.

The Southern of New Orleans withdrew from Tennessee on June 30. The secretary, in his notification to agents of his action, attributes it to adverse legislation and heavy loss ratio. These usually go together and will eventually drive out fire insurance companies where they prevail.

Articles have been filed incorporating the Bankers Surety Company of Cleveland, Ohio, with a capital stock of $500,000. It is claimed that this is the only Ohio surety company. It will do business in the adjacent States also, and a prominent Cleveland man will be president.

"Fire Insurance in New England for Ten Years," showing the business done in each of the New England States by each company in each year from 1891 to 1900, inclusive, has been published by the Standard Publishing Company, Boston, Mass. Price, $2 per copy.

The Illinois Insurance Department has notified companies of foreign countries doing business in that State that they must file affidavits annually on September 1, giving the names of the companies in which they reinsure risks and those which reinsure with them.

The city firemen at Green Bay, Wis., have gone on strike because the council refused to increase their pay. As a drouth has been prevailing there is much apprehension of loss in case a fire should break out. The citizens seem to side with the firemen.

The *Insurance Post*, of Chicago, says that a meeting of the Chicago certificate holders of the Mutual Reserve Fund Life has been held to consider what action they should take in view of the liens which have been laid against their certificates.

Little interest is being taken apparently in the work of the Illinois Field Club, the non-Union organization, for only four members attended the July meeting at Freeport on Tuesday. The August meeting will be held at Decatur.

Omaha agents have appointed a committee to secure an insurance patrol. They say that the citizens of Omaha would equip a salvage corps if they could be assured that the insurance companies would maintain it.

The executive committee of the South Eastern Tariff Association will hold its midsummer meeting at the Battery Park Hotel, Asheville, N. C., on next Thursday.

An increase of its capital stock from $100,000 to $150,000 is proposed by the Western insurance company of Louisville, "for the purpose of extending its business."

The Washington Life insurance company has issued a beautifully illustrated guide to Washington, D. C., for the use of its policy-holders and friends.

The Bankers Mutual Casualty Company of Des Moines has reorganized as a stock company with $200,000 capital.

Personal.

AGENCY APPOINTMENTS.

Ætna of Hartford: A. C. Bay, special agent for Ohio and West Virginia, succeeding E. C. Toie.

British-American of New York: John Elias Jones, Milwaukee, Wis.

Concordia of Milwaukee: John F. Runck, Cincinnati, Ohio.

Mechanics of Philadelphia: John F. Runck, Cincinnati, Ohio.

National Surety: H. W. Overman & Co., Chicago, general agents, succeeding W. P. Campbell.

Royal: Charles H. Scott, Wilmington, Del., succeeding L. P. Buck.

St. Paul Fire and Marine: Weed & Parker, St. Paul, Minn.

Traders of Chicago: J. H. Delesderniers, Brooklyn, N. Y., and vicinity.

Mr. David Stewart Hendrick, who was president of the National Association of Life Underwriters in 1896-7, and at the time of his death general agent for the Manhattan Life for the Central Eastern department, died at Washington, D. C., on Sunday morning from a disease of the stomach after an illness of three months. He was a native of Clarksville, Tenn., and was born there in 1853. From 1884 to 1889 he was the head of a large Nashville house in the China goods trade. In 1889 he retired to become a special agent of the Mutual Life in the South, and in January, 1891, he entered the service of the Manhattan Life. He was president of the Life Underwriters' Association of the District of Columbia three years and a very prominent Mason. Mr. Hendrick was a genial and active man, with a host of friends and acquaintances. He leaves six children.

Ex-Insurance Commissioner Frederick A. Betts, of Connecticut, is now interesting himself in the St. Louis Exposition of 1903, of which he is a United States Government commissioner. Mr. Betts states his belief that the St. Louis Fair will eclipse that of Chicago eight years ago. A much larger amount of money will be expended in its installation.

Mr. Charles E. Lemon, Indiana State agent of the Insurance Company of North America, died at Indianapolis on Tuesday. He was one of the best known men in the Western field, and was recently in the service of the Lancashire as Indiana State agent.

Insurance Commissioner Dunham, of Pennsylvania, sailed for Europe last Saturday to spend the summer. The Hon. Sam McCulloch will continue to run the insurance department, as heretofore.

Mr. John H. Watson, chairman of the Finance Committee of the Manhattan Life directorate, and a wealthy real estate owner in New York, died at Narragansett Pier, R. I., on July 14.

Mr. J. R. Hawthorne, of Milwaukee, the Wisconsin special agent of the Fireman's Fund and Home Fire and Marine of San Francisco, has resigned.

Mr. J. W. Jordan, formerly a general agent of the Travelers in the South, died at Louisville, Ky., July 10, aged seventy years.

Capt. John R. Hegeman, Jr., has been appointed a member of the staff of Brig.-Gen. George Moore Smith, N. Y. S. N. G.

Mr. S. H. Wolfe, consulting actuary, has removed from the Bowling Green Building to No. 27 William street, New York.

Vice-President George W. Perkins, of the New York Life, sailed for Europe on Wednesday.

Mr. E. Fritzinger, leading fire insurance agent at Ashland, Ohio, died there July 7.

Miscellany.

Actuary A. H. Bailey on the New British Mortality Table.

(*Journal of the Royal Statistical Society for June.*)

In the year 1869 the results were published of an investigation made by the Institute of Actuaries into the mortality experienced by the lives assured in several of the assurance societies which had supplied the necessary information for the purpose. The tables of mortality that have been deduced from this investigation have for several years past formed the basis upon which the calculations for the purposes of the life assurance societies have been generally made. However, during the latter part of the last century it became clear, from the Registrar's reports and from other sources, that there had been a marked improvement in the mortality of the population, so that further information upon the subject was required.

And, consequently, the Institute of Actuaries and the Faculty of Actuaries in Scotland have for some years past been engaged upon an investigation, from the materials supplied by sixty of the assurance societies, into the mortality experienced during the thirty years 1863-93 by the lives assured. The results, extending over a number of details, are now complete.

The two appended tables give the comparative results of the two investigations for the healthy male lives. The first shows for quinquennial periods of age from twenty to ninety the annual number of deaths that occur among 10,000 persons living. The second table gives the average duration of life at intervals of five years from the ages twenty to eighty. Under the age of twenty and above the age of ninety the numbers in the first investigation were too few for the purpose of comparison.

It will be observed that while there has been a general improvement in the rate of mortality, the decrease has been by no means uniform throughout the whole period of life. On the contrary, the improvement is almost exclusively under the age of forty; a fact which will materially affect valuations of the liabilities of life assurance societies.

TABLE I.—NUMBER OF DEATHS OF MALES OCCURRING ANNUALLY AMONG TEN THOUSAND LIVING.

Age.	New Experience.	Old Experience.	Age.	New Experience.	Old Experience.
20 to 24	47	69	55 to 59	234	260
25 to 29	52	69	60 to 64	332	348
30 to 34	66	82	65 to 69	489	502
35 to 39	82	95	70 to 74	727	733
40 to 44	103	107	75 to 79	1,082	1,100
45 to 49	128	136	80 to 84	1,614	1,652
50 to 54	171	174	85 to 89	2,239	2,235

TABLE II.—AVERAGE DURATION OF LIFE OF MALES.

Age.	New Experience. Years.	Old Experience. Years.	Age.	New Experience. Years.	Old Experience. Years.
20	43.7	42.1	55	17.2	17.0
25	39.6	38.4	60	14.1	13.8
30	35.6	34.7	65	11.2	11.0
35	31.7	31.0	70	8.7	8.5
40	27.9	27.4	75	6.6	6.4
45	24.2	23.8	80	4.8	4.7
50	20.6	20.3			

On Misleading the Public as to the Condition of Insurance Companies.

(*The Life Insurance Independent for July.*)

In his letter to the Mutual Reserve Fund Life Association proposing an examination, Hon. E. H. Dearth, insurance commissioner of Minnesota, says:

> Taking into consideration the actual financial showing as set forth in your sworn statement, together with the numerous ugly rumors that have come to this department as to the exact status of your financial affairs, it seems best, *in order that the interests of the policy-holders of this State should be fully protected,* that the renewal license of your company be withheld pending an investigation which I have under consideration of your company's affairs.

In discussing the question of an official examination, insurance commissioners, insurance journals and others commonly dwell with emphasis upon the thought expressed in the words which we have italicised.

We suggest that this is not the whole issue. Possibly the interests of present policy-holders are paramount, but surely the welfare of those who are daily importuned to become policy-holders must also be considered. Insurance departments are established to guard the interests of the insured, likewise to protect against deception and imposition those who are seeking insurance.

A particular company is supposed to be unsound—possibly upon the verge of bankruptcy. To make its actual condition known by an official examination may result in immediate dissolution. Its overthrow means irretrievable disaster to thousands of policy-holders who are now uninsurable. If the facts can be kept from the public, failure may be postponed—possibly averted. The permanence of the company, or its lasting even for a time, depends largely upon its ability to retain its healthy lives, and to secure a steady influx of new business! If its sound risks can be kept in the dark as to its real condition, they may remain with the company, instead of seeking insurance elsewhere. If the public can be made to believe that the company is safe and prosperous, new business may be secured.

What now is the duty of the insurance commissioner and of the insurance journalist? Can there be other than one answer?

The facts must be made known. Neither policy-holders nor public must be misled. To protect the interests of those who are within, we must not deceive those who are without. For the bare chance, the remote possibility of saving an unsound institution in the interest of such as are now uninsurable, there must be no deception of those—whether within or without the company—who are yet insurable; who may take their choice of a score of companies as to whose permanence there is not the shadow of a doubt.

To the insurance commissioner there is but one course. He must ascertain the facts and act upon them. Both the insured and those that seek insurance look to him for guidance. If he is remiss in his duty, if he neglects to ascertain the truth and to

give it to the public, if he lends his official indorsement to an institution that he should know to be unworthy of confidence, he betrays his trust—he becomes a robber of widows and orphans.

The insurance journalist—may he keep silent? Possibly, but he will not recommend to the insuring public the organization whose future is at least problematical. He will not commend editorially a company against which he would warm his sister's husband.

A Typical Case.

(*Hartford Times.*)

The following little article taken from the Iowa City *Republican* is "so true Henry" that we print it for the benefit of those "to whom it may concern." A similar scene, we venture to say, has been the experience of all newspaper editors:

The editor of a paper printed in a thriving town only a few miles from Iowa City was asked the other day to publish an article roasting a citizen. "Certainly," he said to the caller, "what shall I say?" He was furnished with an outline of what was wanted, and wrote an article that was a scorcher.

"That's splendid," exclaimed the friend, delighted when the article was read to him; "that'll make his hair crinkle."

"All right," said the editor, "let's see, what are your initials?"

"Good heavens!" said the citizen, "you are not going to sign my name to that?"

"Why not?" asked the editor.

"I wouldn't have anyone know I had anything to do with that for the world. I can't afford to get into a scrap with my neighbors."

The editor smiled benevolently and said, "Why should I mix up in a scrap that does not concern me? Why should you expect me to assume the blame for publication of an article to which you are afraid to sign your name?"

The man stopped his subscription to the paper and went away mad.

The State Tax Burden on Life Insurance.

At the National Civic Federation Conference on Taxation held at Buffalo in May last, Frederick L. Hoffman, statistician of the Prudential insurance company, read a paper on "The Taxation of Life Insurance Interests." We have just received a copy of this able exposition of the injustice of the life insurance tax, and make such extracts for republication as our space will permit. The writer says:

It is one of the most common errors in the theory of life insurance taxation to assume that life insurance itself represents capital. Now, capital, as I understand it, is realized wealth, while life insurance is merely a promise to pay a certain sum in the event of the occurrence of a contingency provided for in the policy. Life insurance is a present means of obtaining a certain advantage over an uncertain event, and it is on this ground, though not on this ground alone, that life insurance or the premiums paid for insurance protection should not be considered a subject of taxation. If we inquire into the objects and nature of life insurance and the relation of life insurance to the State, we find that the primary object of this form of thrift is to provide for dependents, for widows and orphans, which but for such provision, in the majority of instances, would become charges or wards of the State. By just so much as this is avoided, by just so much as women and children are made independent of such assistance, the revenue of the nation, or of the State, is relieved, and can, therefore, be devoted, and is devoted, to the development of other interests affecting public welfare. In view of this point, it is clear that life insurance should not be a subject of taxation, but rather to the contrary, as a means of diminishing public burdens, it should in all respects receive the generous consideration of the State. * *

The principle of non-taxation of life insurance in England, as laid down by Mr. Pitt in 1798, has been frequently reaffirmed in the works of recognized authorities on economics and finances. A tax on insurance, according to Mill, as stated in his "Principles of Political Economy," "is a direct discouragement of prudence and forethought," and this view is practically accepted by McCulloch, who even more forcibly expressed himself to the point that a tax on insurance "discourages that providence and foresight, the encouragement of which ought to be an object with all prudent governments," and "seeing the vast importance of insurance, it may well be doubted whether it ought to be charged with any duty, however slight." With particular reference to taxation of insurance interests in this country, the subject was discussed in an able treatise thirty-four years ago by S. Morton Peto, according to whom "a tax on insurance is a tax not only upon industry, but upon prudence and frugality, and the American system seems to be far worse than that of which we have been so long complaining in Great Britain," and yet the conditions confronting insurance companies to-day are vastly more serious than they were under the war conditions of the early sixties. * *

We now come to taxes upon the companies which are in the nature of expenses for State supervision and license fees. I have called these expenses taxes, since as a matter of fact they are a tax upon the interests of life insurance companies, but opinions may differ as to whether these items should properly be considered taxes in the true sense of the word. For State supervision and license fees the Prudential insurance company paid about 8 per cent. of all its taxes during the year 1899, or, in round figures, $34,000. The direct burden of this tax is less than the indirect burden, since in consequence of this system of State supervision the general expense account of the companies has been materially increased on account of increased clerical expense for the compilation of data not required for office purposes and of practically no value or interest to the general public. Few State commissioners remain long enough in office to gain personal experience to be of value to the insuring public, and seldom possess actuarial or other insurance experience to make their recommendations useful. Hence the cost of State supervision and the implied office expense is in itself an item of considerable magnitude imposed upon the companies in addition to the taxes already referred to.

Let me illustrate this point in a little more detail. In the State of New Jersey life insurance companies pay first a tax of 0.35 per cent. on their total premium income, and in addition a tax of 1 per cent. on surplus. Now, in States which tax premiums collected within the State, an additional tax of from 1 to 3 per cent. may be collected, as, for instance, in the case of Kentucky, where the local State tax is 2 per cent. on premiums collected within the State. Thus the same premium income, already taxed once in New Jersey, is made subject to a second tax in the State of Kentucky, but in addition there is in force in that particular State a law under which the city of Louisville collects a further tax from life insurance companies equal to 2½ per cent. of the premiums on premium collected in the city, imposing thus a third tax upon the same item of premium income.

But this is not all, there have been paid in addition fees for State supervision, valuation, filing of certificates, &c., and license fees for agents, all of which, of course, must come out of the premium income derived from local business, and all of which will be charged against the business transacted in the State of Kentucky as an expense. Even this is not all. After the various charges have been met and have been deducted from the premiums received there would be an additional tax on the remainder, if invested in local real estate, and under the recently repealed war revenue act there would have been an internal revenue tax of 80 cents per $1,000 of new insurance. Thus we have it that in this State, on a premium of, say, $32.63, at age forty, for a whole life policy of $1,000, the company would have to pay, first, 80 cents as the internal revenue tax; second, 11 cents as a local State tax in New Jersey; third, 65 cents as a local State tax in Kentucky; fourth, 82 cents as local municipal tax in Louisville, Ky.; a total of $2.38, or equal to 7.3 per cent. of the premium paid.

A still more pertinent illustration of the burden of life insurance taxation is found in a comparison of the sums paid out in taxes with the sums paid out in dividends to the policy-holders. The term "dividends" in life insurance is misleading, but common usage has so adapted the term to the business that it is now difficult to invent a new one. As a rule, where the term "dividend" is used in life insurance transactions, the reference pertains to a sum of money which has originally been paid as a premium, but which subsequent experience proved not to be required. Such dividends accrue in consequence of a favorable mortality experience, of a lower expense rate than was originally assumed necessary, and occasionally in consequence of a higher rate of interest earned than the expected rate. Such dividends, then, are not profits in the ordinary sense of the word, and this fact was early recognized by Mr. John T. Lewis, Internal Revenue Commissioner in 1863, who, in his report that year to the Secretary of the Treasury, made a strong plea for the repeal of the law taxing the dividends of life insurance companies.

How far the taxes paid by life insurance companies affect the dividend paying ability of the companies is made clear by the

fact that to every $100 paid in dividends in 1899 there were $30.70 paid in taxes. In other words, had there been no taxes the decrease in the cost of life insurance would have been increased by more than 30 per cent., and policy-holders receiving $100 in dividends, usually applied to a reduction of the premium or for the purchase of additional insurance, would have received $130 had there been no tax upon the interests of life insurance companies.

Briefly summarized, the facts pertaining to the taxation of life insurance companies may be stated as follows:

Out of every $100 received in premiums in 1899 $2.22 was paid out in taxes.

To every $100 paid to policy-holders in 1899 $4.10 was paid in taxation or license fees.

To every $100 paid in death claims in 1899 $6.70 was paid in taxation or license fees.

To every $100 paid in dividends to policy-holders, largely for the purpose of reducing the cost of insurance, $30.70 was paid in taxation or license fees.

The percentage of taxation to premium income has increased from $1.42 in 1890 to $2.22 in 1899.

The ratio of taxation to dividends to policy-holders has increased from 15.5 in 1890 to 30.7 in 1899.

Church Endowment.

(*The Daily Telegraph, London, July* 1.)

Life insurance is responsible for many deeds of beneficence, and has been extensively utilized in the discharge of social and family obligations. But it is certainly doubtful whether, in this country at least, such a great hold has been taken upon the minds of the people with regard to the endowment, at a future date, of certain stated and specified institutions and organizations, as is the case in the United States. The objects aimed at are, like many American ideas, on a large scale. The development of the Church Endowment Society, the object of which is to aid churches by means of life insurance, seems to have met with universal and enthusiastic support. It is some years ago since a few ecclesiastics, with influence at the Vatican, approached a prominent American life insurance company with proposals for church endowment on certain lines; but the plan was not then thought ripe for public discussion and approval, and was temporarily allowed to lie in abeyance. But the American Protestant Episcopal Church has taken the matter up, and the Church Mission House, New York, is now the central propaganda for the purpose of raising endowments by means of life insurance for the benefit of churches. Nor is this movement limited to churches, for we learn that Columbia University is considering the trifling sum of one million sterling.

People who wish, therefore, to benefit the churches to which they belong, or to endow universities or public institutions of any kind, such as hospitals, can select the one which they desire to benefit, and, by taking out an endowment policy, or even a whole life policy (it being simply a matter of magnitude of premium), can secure substantial aid in the future to the institution in question, at a very moderate annual expenditure on their own account. This plan seems better than what we may call death bed bequests, by which, perhaps, the testator tries to compound for the sins of his past life in the hope of getting future advantage; sometimes, possibly, to the detriment of those nearest to him. This is another illustration of the vast and far reaching possibilities of life assurance business, and one which is worthy the attention not merely of persons of large means, but of all those who can set aside even a small sum out of their annual income for the purpose of assisting the cause of charity.

Official Reports.

Tennessee Life Insurance Report.

Insurance Commissioner Folk, in the second part of his annual report, comments on the assessment business in Tennessee as follows:

Low rates are certainly desirable, but they become a menace if they are placed below what experience teaches is required to safely conduct the business. Safety should be the first consideration in insurance.

These societies have done a wonderful amount of good, but it has long been evident that advances in rates would have to be made, or, as a class, they would be only known as past history. A number of them have already recognized this, and have either advanced their rates or modified their benefits. It is the purpose of this department to fully enforce the provisions of the act recently passed, and we confidently look for gratifying results.

Among the regular companies' business the commissioner charges that rebating is rampant. He says:

Local conditions during 1900 were somewhat improved over 1899, but there is room for further improvement. This department has been annoyed beyond measure by the methods of some companies and their agents in securing business. Rebating has been general, and by many agents has been carried to an extent far beyond the mere giving of a portion of his commission to the assured. This entire field has been greatly demoralized, and the effect has been to take life insurance, as a business, from that high plane on which it justly belongs. My observation has led me to believe that bonus contracts are responsible, in a large measure, for excessive rebating.

Most of the complaints that have come to this office have been against agents for companies issuing this character of contract. As the end of the year, or the period of his contract approaches, the agent, realizing that he will probably fall short of the amount of business written on which his bonus depends, goes out to place the necessary amount, regardless of the ethics which should control him. Any premium which he may collect is a mere incident, and is looked on by him as so much picked up. I realize that rebating can never be entirely stopped, as there are so many indirect methods employed by the agents. The evil can, however, be greatly mitigated by the companies, and it is only through their co-operation that any great relief can be had. Whenever they decide that the practice must be stopped, and make contracts with that end in view, good results will be obtained. This department, however, wishes to announce its purpose to do all within its power to uphold the law on our statutes against rebating, and to warn agents that all cases coming to our knowledge will be thoroughly investigated and prosecuted, if sufficient evidence is found.

By comparison of statistical table No. 3 with the corresponding one of last year, a falling off of some $70,000,000 in surplus is indicated, which calls for some explanation. As a matter of fact, a gain of something like $20,000,000 has been made in this item, were it treated as heretofore. The apparent shrinkage is due to a number of companies, among them all of the larger ones, with one exception, setting aside as a contingent liability on contracts in force the greater portion of what they have heretofore carried as surplus. This, in my opinion, is a long step in the right direction.

CERTAIN DUTIES OF COMPANIES.

Whenever a participating policy of insurance is issued, it should be the duty of the company issuing it to credit it each year with its proportion of the company's earnings and carry same as a liability contingent on the holder thereof living, and carrying same to the end of the period, when such dividends that accrue become payable. If the holder dies or lapses before such period is reached, the dividends apportioned may be then be credited to profit account, to be in turn apportioned to other policies of like class. During the life of such a contract its dividend earnings are as much a liability against the company as is the reserve required by law to be set aside, and a statement made upon any other basis creates a false impression of the condition of the company issuing it.

In concluding this, the second part of my initial report as Insurance Commissioner, I take occasion to say that inasmuch as the business covered by this report was transacted by my esteemed predecessor, I feel that I can with propriety speak of the evident gratifying status of all insurance matters coming within the jurisdiction of this department. It has been, and shall continue to be, my constant effort to keep the department on the high plane upon which I found it when I assumed the duties of commissioner. It is my purpose to administer the laws vigorously, justly and impartially, to make the department what it has been in the past—a protection to the insured and insurer alike. It is the province of the commissioner to guard the public from insolvent, irresponsible and badly managed companies by fearlessly enforcing the laws on the statute books regarding the admission and continuance of companies to the privilege of transacting business in the State.

It is also the province of the commissioner to guard in their

just rights those companies that have complied with the laws set down for the admission and government of insurance companies. One feature of this protection is in the prosecution of agents who attempt to write business for wildcat or unauthorized companies. Not alone, however, is this in the nature of protection to companies that have complied with the law, but it is a protection to insurers against presumably irresponsible concerns. It is also a vindication of the law against those who wantonly show disrespect for our statutes by defying them. Wherever and whenever a case of such violation is found, the Insurance Commissioner will spare no effort and no trouble to bring the guilty parties to just punishment.

It is due to the insurance companies doing business in the State, and to the agents that represent them, to say that for the most part I have found these companies and their agents ready and anxious at all times to comply with the requirements of our laws. This is a great aid to the commissioner and his assistants in the discharge of the business of the office.

The commissioner pays a high compliment to Deputy Commissioner C. A. Craig for his diligent and efficient services in connection with the duties of the department.

Maine Insurance Report.

In his annual report Insurance Commissioner Carr, of Maine, after giving the figures of fire insurance business in the State in 1900, says:

I desire again at this time to call attention to the so-called "mill mutual" insurance companies which insure many of the manufacturing establishments in this State—the insurance being effected by the owners or agents of the property with the companies direct and without the intervention of the third party. These corporations have no agents or representatives in Maine; pay no fees or taxes to the State and make no report to this department. There is, therefore, no means of ascertaining the extent of their transactions, which are extensive, and, if reported, would materially swell the volume of business, and I earnestly recommend that some action be taken to require these corporations to transact their business in the usual manner and contribute their share of the fees and taxes imposed by law upon foreign insurance companies.

The percentage of fires of "unknown" and incendiary origin has decreased since the enactment of the law providing for the investigation of fires. In 1885 the percentage of incendiary fires was 8.64 and of unknown fires, 32.54. During the past year the percentage of incendiary fires was 1.85 and of unknown fires 19.37. There were only thirty-five incendiary fires in Maine during the past year, against fifty-three for the previous year, showing a decrease of 33.96 per cent. in the fires of incendiary origin during the past year.

The record of fires in this State during the past year shows a slight improvement over that of the previous year. During the past year there were 1,884 fires reported to this department, exposing $7,095,943.01 of property and damaging the same to the amount of $1,886,600.38, and as there were fires in unorganized townships from which no returns could be obtained it is probable that the property destroyed by fire exceeded $2,000,000—only about one-half of which was insured. This enormous waste is altogether too large and some further action should be taken to reduce the same and save to the cities and towns of this State thousands of dollars of taxable property which is annually being swept from their valuations never to be replaced.

During the year there were 293 fires which were attributed to defective chimney flues, exposing property to the value of $680,651.90, and damaging the same to the amount of $261,272.23. In my opinion a very large proportion of this loss might have been averted by more diligence on the part of the owners and occupants of the property. There were other fires in which the loss was undoubtedly materially increased through defective construction, and I earnestly recommend that the law relating to the inspection of buildings and the accumulation of combustible material be amended to apply to all towns of 1,000 inhabitants, and that a penalty be provided which will compel the inspectors of buildings in the various cities and towns to perform the duties imposed by the statute.

The Employers' Liability Assurance Corporation
(LIMITED),
OF LONDON, ENGLAND.
Total Available Resources, $5,382,620.00
$1,324,407.25 deposited in the United States for the benefit of United States Policy-holders.
APPLETON & DANA, U. S. Managers and Attorneys,
71 Kilby Street, Boston, Mass.
EDMUND DWIGHT, Jr., State Agent, 27 William Street, New York.

ORDINARY
and
INDUSTRIAL
PROFIT SHARING
POLICIES.
EXCEPTIONAL
ADVANTAGES
TO
..... Active Agents.
WRITE TO
THE PRUDENTIAL INSURANCE CO. OF AMERICA
JOHN F. DRYDEN, President. Home Office: NEWARK, N. J

Chartered 1866. 33 Years Successful Business.
The Hartford Life Insurance Co.,
HARTFORD, CONN.
Every desirable form of up-to-date contract is issued by this old and sterling company.
All rates and values guaranteed in the contract.
$18,500,000 Paid in Benefits.
Ratio of Assets to Liabilities, $142 to $100.
GEO. E. KEENEY, President CHAS. H. BACALL, Secretary.

State Mutual Life Assurance Co.,
OF WORCESTER, MASS.
A. G. BULLOCK, President.
Incorporated 1844.
Issues policies, incontestable after two years, protected by the Non-Forfeiture Law of Massachusetts. Yearly dividends.

Assets	$17,754,046
Liabilities	15 889 512
Surplus January 1, 1901	$1,864,534

C. W. ANDERSON, General Agent, 189 BROADWAY NEW YORK

ESTABLISHED IN 1822.
THE NATIONAL ASSURANCE COMPANY
OF IRELAND.
GEORGE E. KENDALL,
United States Manager,
HARTFORD, CONN.

INCORPORATED 1799
Providence Washington Insurance Company.
PROVIDENCE, R. I

Liverpool & London & Globe Ins. Co.,

ESTABLISHED, 1836. ENTERED THE UNITED STATES, 1848.

NEW YORK OFFICE:
William & Pine Streets.

NEW ENGLAND, NEW YORK, PENNSYLVANIA,
OHIO, INDIANA, KENTUCKY,
TENNESSEE, ARKANSAS, MARYLAND,
DELAWARE, DISTRICT OF COLUMBIA,
VIRGINIA, WEST VIRGINIA,
NORTH AND SOUTH CAROLINA.

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GEO. W. HOYT, Deputy Manager.
JOHN J. MARTIN, Agency Superintendent.

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IOWA, WISCONSIN,
MINNESOTA, MISSOURI,
KANSAS, NEBRASKA
COLORADO, DAKOTA,
MONTANA, UTAH,
WYOMING AND NEW MEXICO

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GEO. H. MOORE, } Assistant Secretaries.
J. V. THOMAS, }

NEW ORLEANS OFFICE:
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ALABAMA,
GEORGIA,
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J. G. PEPPER, Assistant Secretary.

SAN FRANCISCO OFFICE:
422 California Street.

CALIFORNIA,
NEVADA,
OREGON,
WASHINGTON,
IDAHO,
ARIZONA

CHARLES D. HAVEN, Resident Manager.
C. MASON KINNE, Assistant Secretary.

The Mutual Benefit Life Insurance Co.

NEWARK, N. J.

AMZI DODD, - - PRESIDENT.

ASSETS (Market Values) Jan. 1, 1901.....$74,311,468 25
LIABILITIES, N. J. and N. Y. Standard..... 68,186,103.34
SURPLUS..... 6,125,364.91

MUTUAL BENEFIT POLICIES
—CONTAIN—
Special and Peculiar Advantages
WHICH ARE NOT COMBINED IN THE
POLICIES OF ANY OTHER COMPANY.

Home Life Insurance Co.

256 BROADWAY, NEW YORK.
GEO. E. IDE, - - - - President.

Assets, - - - - -	$12,342,247.00
Dividend Endowment Accumulations, -	736,337.00
Contingent Fund, - - - -	65,875.00
Net Surplus, - - - - -	1,282,588.30

The Massachusetts Mutual Life Insurance Company,

INCORPORATED 1851.
SPRINGFIELD, MASS.

ASSETS - January 1, 1901..... $26.245,622.04
LIABILITIES..... 23,920,986 53
SURPLUS..... 2,324,635.51

Definite Paid-up and Cash Surrender Values written in every Policy.

JOHN A. HALL, President. HENRY M. PHILLIPS, Secretary.

New York Office: Empire Building, 71 Broadway.
GEORGE J. WIGHT, Manager.

Provident Life and Trust Co.

OF PHILADELPHIA.

The best in Life Insurance is likely to be the cheapest. The same fidelity, skill and care which are necessary to guarantee the future security of a company result in the lowest cost. A good test, therefore, is to determine whether the organization and the surroundings of a company exclude all doubt as to future security. In determining this the question of cost is determined also. **THE PROVIDENT LIFE AND TRUST COMPANY** invites inquiry as to its organization and the provisions for safety afforded. For the full period of its existence the death rate has been only .614 of the rate indicated by the authoritative tables.

INCORPORATED 1851.

The Berkshire Life Insurance Co.

OF PITTSFIELD, Mass.

All Policies issued by the Company are subject to the Massachusetts Non-Forfeiture Law.

WM. R. PLUNKETT, President.
JAS. M. BARKER, Vice-Pres. JAS. W. HULL, Sec'y and Treas.
Agencies in all the principal cities of the United States.

Established 1782.

Phœnix Assurance Company,

OF LONDON.

FIRE INSURANCE ONLY. LOSSES PAID OVER $100,000,000.

Head Office for the United States, 37 Liberty St., N. Y.

A. D. IRVING, Manager. E. B. CLARK, Asst. Manager.
LOUIS P. BAYARD, 2d Asst. Manager.

THERE ARE FEATURES IN THE FIFTY-THIRD ANNUAL REPORT OF

The Penn Mutual Life Insurance Company

Of interest to all engaged in life insurance work.
A copy on request.

THE PENN MUTUAL LIFE INSURANCE COMPANY,
921-925 CHESTNUT STREET, - PHILADELPHIA.

National Fire Insurance Company,

HARTFORD, CONN.

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H. A. SMITH, Assistant Secretary.
HEAD OFFICE, 95 Pearl Street, Hartford, Conn.

WESTERN DEPARTMENT.
FRED. S. JAMES, General Agent.
G. W. BLOSSOM, Asst. Gen'l Agent.
Office, 174 La Salle St., Chicago.

PACIFIC DEPARTMENT.
GEO. D. DORNIN, - Manager.
GEO. W. DORNIN, Asst. Manager.
Office, 409 California St., San Fran.

HANOVER

Agencies in all the Principal Places in the United States.

Fire Insurance Company OF NEW YORK.

Royal INSURANCE COMPANY (FIRE) OF LIVERPOOL, ENGLAND.

Statement of United States Branch,

JANUARY 1, 1901.

Assets, held in the U. S. for the special protection of its American Policy-holders.	$7,187,715.01
Liabilities, ...	4,703,671.36
Net Surplus, ...	$2,484,043.65

AGENCIES IN ALL THE PRINCIPAL CITIES, TOWNS AND VILLAGES IN THE UNITED STATES.

1850. THE 1901

United States Life Ins. Co.

IN THE CITY OF NEW YORK.

GEORGE H. BURFORD, President.

FINANCE COMMITTEE.

GEO. G. WILLIAMS, . . . *President Chemical National Bank*
JOHN J. TUCKER, ... *Builder*
E. H. PERKINS, JR., *President Importers' and Traders' National Bank*
JAMES R. PLUM, ... *Leather*

Active and successful Agents who desire to make Direct Contracts with this well-established and progressive Company, thereby securing for themselves not only an immediate return for their work, but also an increasing annual income commensurate with their success, are invited to communicate with RICHARD E. COCHRAN, 3d Vice-President, at the Company's Office, 277 Broadway, New York City.

Assets over $8,000,000. Insurance in Force, over $40,000,000

AN APPOINTMENT AS AGENT FOR THE **CONTINENTAL FIRE INSURANCE CO.** IS A SURE CURE FOR ALL THE WORRIES CARES AND DOUBTS THAT THREATEN AGENTS OF COMPANIES WITH LIMITED ASSETS; CONSTANTLY CHANGING UNDERWRITING IDEAS; OR MANAGEMENT OF UNCERTAIN PERMANENCE.

PRINCIPAL OFFICE, 46 CEDAR STREET, NEW YORK.
WESTERN DEPARTMENT, RIALTO BUILDING, CHICAGO, ILL.

Caledonian Ins. Co.,

FOUNDED 1805. of Scotland.

"The Oldest Scottish Insurance Office."

United States Head Office, 27-29 Pine Street, New York City.

STATEMENT JANUARY 1, 1901.

Assets	$1,910,617.66
Liabilities	1,101,382.62
Net Surplus in the United States	$809,235.04

CHARLES H. POST, U. S. Mgr. N. A. McNEIL, Ass't U. S. Mgr.

Head Office for the United States:

57 and 59 William Street, NEW YORK.

LONDON & LANCASHIRE FIRE INSURANCE COMPANY

A. G. McIlwaine, Jr., Manager.

1846—1901.

THE CONNECTICUT MUTUAL LIFE

Insurance Company.

WHERE THE CONNECTICUT MUTUAL STANDS.

During all the long struggle out of which this situation has developed, and amid the many schemes devised to attract public attention and favor to something else than life insurance, the attitude and position of the Connecticut Mutual have never been doubtful.

It has held to the cardinal facts: Life insurance is for the protection of those dependent on a man's life; their dependence makes it his unavoidable duty. Those dependents we assume to protect by our contract, at his personal cost; our duty to them is to make that protection as large, as secure, and as certainly available to them as possible; our duty to him is to make its cost to him as small as possible.

JACOB L. GREENE, President. **HERBERT H. WHITE, Secretary.**
JOHN M. TAYLOR, Vice-President. **DANIEL H. WELLS, Actuary.**

The Metropolitan Life Insurance Co.

(INCORPORATED BY THE STATE OF NEW YORK.)

"The Leading Industrial Insurance Company of America,"

IS REPRESENTED IN ALL THE PRINCIPAL CITIES OF THE UNITED STATES AND IN CANADA. THE PAYMENT OF OVER 250 DEATH CLAIMS DAILY TELLS OF THE GOOD IT DOES. INSURANCE IN FORCE OF OVER $900,000,000 ATTESTS ITS GREATNESS AND FAVOR WITH THE PUBLIC.

Permanent, Profitable and Progressive Employment.

AGENTS WANTED—Any honest, capable, industrious man, who is willing to begin at the bottom and acquire a complete knowledge of the details of the business by diligent study and practical experience can, by demonstrating his capacity, establish his claim to the highest position in the field. It is within his certain reach. The opportunities for merited advancement are unlimited. All needed explanations will be furnished upon application to the company's superintendents in any of the principal cities, or to the Home Office, No. 1 Madison Avenue, New York City.

JOHN R. HEGEMAN, President.

HALEY FISKE, Vice-President. GEORGE H. GASTON, Second Vice-President. GEORGE B. WOODWARD, Secretary. J. J. THOMPSON, Cashier and Assistant Secretary. JAMES M. CRAIG, Actuary. JAMES S. ROBERTS, Assistant Secretary. STEWART L. WOODFORD, Counsel. THOS. H. WILLARD, Medical Director. A. S. KNIGHT, Assistant Medical Director.

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.

FOUNDED 1792.

Assets, January 1, 1901		$9,583,791
LIABILITIES—Reserved for Reinsurance and all other claims	$4,805,254	
Capital Stock	3,000,000	
Surplus over all Liabilities	1,778,537	$9,583,791

Agents in all the principal towns and cities.

CHARLES PLATT, President. EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. BENJAMIN RUSH, Second Vice-President.
T. HOUARD WRIGHT, Marine Secretary. JOHN B. ATWOOD, Assistant Secretary.

Offices in New York: Fire, William and Pine Sts.; Marine, 63 Wall St.

1826. THE 1901.

Pennsylvania Fire Insurance Co.

OF PHILADELPHIA.

Cash Capital,	$400,000.00
Re-insurance and all Liabilities,	2,771,038.56
Surplus,	2,163,883.97
Total January 1, 1901,	$5,334,922.53

R. DALE BENSON, Prest. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Prest. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

COMMERCIAL UNION ASSURANCE CO.

LIMITED,

OF LONDON.

OFFICE:

Cor. Pine & William Sts., New York.

Phœnix Mutual Life Insurance Co.

OF HARTFORD, CONN.

ORGANIZED IN 1851.

Assets, January 1, 1901	$13,278,711.73
Surplus at Four per cent	564,656.73

Total Paid Policy-holders over

—$42,500,000—

ACTIVE AND INTELLIGENT MEN WANTED AS AGENTS, with whom liberal contracts will be made. Desirable territory now open.

The new plans of the Company are brief, clear and liberal. Life and Endowment Policies have endorsed upon them definite cash, loan, and paid-up values, and in case of lapse, insurance is extended without action on the part of the insured.

J. B. BUNCE, President. J. M. HOLCOMBE, Vice-President.
C. H. LAWRENCE, Secretary.
NEW YORK OFFICE: WEED & KENNEDY, Managers, 149 Broadway.

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AN index of the contents of the sixty-fourth volume, which closed with the issue of June 29, 1901, accompanies this week's paper.

Perhaps the editor of THE UNDERWRITER is ignorant of the fact that what may be called the assessment principle of life insurance is recognized as legitimate and safe by the strongest companies of Great Britain and defended by the ablest actuaries of the Institute of Actuaries.—*Western Economist.*

THE above is only another sample of the brazen impudence of the apologists for a system which never had any standing in Great Britain, and is discredited everywhere else. Statements like this were a part of the stock in trade of assessmentism when it was rampant and triumphant in the United States and baited millions to their ruin. The habit of using them is too strong to be abandoned by assessment sharpers in the day of their discomfiture and disgrace. It is unnecessary to say that if assessment life insurance were ever recognized as safe and defended by actuaries in Great Britain it would be in practice there.

THE passing of the Brooklyn Life, while not wholly expected, is not a surprise. It has been taking in sail for some time, the disposal of its New York building a few weeks ago being one of the indications that it was preparing for a change, and its inactivity in the field for new business being another. The Brooklyn Life was born in the flush times of the closing years of the Civil War, and has survived a swarm of small companies organized at the same time, because it has always been honorably conducted, its managers having in view the interests of the policy-holders, as well as those who controlled its capital stock. But it has been vigorous only in spurts, and it has never grown beyond the limits of one of the least of the regular companies. While the addition of its business to that of the Equitable is almost like a drop in the bucket of the latter, it is a good business, the selection as to policy-holders being quite up to the reinsurers' average. The policy-holders are also to be congratulated in being taken care of so well. In the hands of speculators where might they not have gone?

THAT an organization as large as the National Association of Local Fire Insurance Agents and covering a territory so wide and diversified, should embrace many men of differing minds as to matters of business practice is natural. That there will always be an individual or groups of individuals dissatisfied with the practices that are acceptable to the majority of the association is also natural. It is not strange, therefore, that as the time for the annual meetings approach there should be rumors of movements to change the order of affairs. They are heard now in view of the convention to be held in September. The discontent of the unsatisfied has found voice in the editorial columns of some of our contemporaries. The present administration, it is said, has not done any of the many things which, in the estimation of agitators, it is the function of the National Association to do. While the right to find fault is not to be disputed, we do not believe that any considerable part of the membership of the association is out of harmony with President Markham, or desires his displacement, if he will consent to serve again. He has held the association work strictly to one purpose, the "restoration of the good old position of agent in the United States." He has refrained from going afield for other ends, however desirable they may be in themselves, but which would, if sought for at present, thwart and nullify the greater purpose of the organization. He is an earnest, cool headed, conservative and conscientious man like his predecessor, who has his confidence, and he can best keep the association together and preserve its morale at this time.

WE will once more gratify Mr. Putnam's insatiate craving to keep himself before the public by printing a letter from him, although it threshes over a subject which we supposed had become wearisome even to himself. He wants to say again that "Mr. Nichols is the only living American actuary recorded in favor of the preliminary term valuation, and Mr. Macaulay the only Canadian actuary so recorded," and his defense of this proposition resolves itself practically into the claim that only members of the Actuarial Society of America are properly actuaries, of whom only these two stand for the valuation. It is almost needless to say that Mr. Putnam's idea of what constitutes an American actuary is preposterous. We are sure that no sensible member of the Actuarial Society—and we assume that they are all sensible because they are members—believes that only the persons on its rolls have the right to be regarded as actuaries. The most distinguished member of the society, Mr. McClintock, has expressly disclaimed any such pretension for it. In his address before the society, published in its annals for 1896, he uses this language: "Our own society, while taking care that its members shall be professionally competent, has no idea of claiming for its members the exclusive right to engage in the actuarial profession in this country or in Canada. The laws of the United States are not such as to encourage professional guilds of any character whatever," and he speaks of the society as having the characteristics of a "club," and adds "that the members of a society of actuaries should ever be recognized in this country as exclusive possessors of the right to practice their profession is not conceivable." We are equally certain that Mr. Nichols has no desire to have the quotation made by Mr. Putnam construed to mean

that there are no American actuaries outside the Actuarial Society.

BUT were it true that only a membership certificate makes an actuary, Mr. Putnam would still be at fault in narrowing the number of actuaries favoring the preliminary term valuation to the two mentioned. Mr. Patterson, of the New York Insurance Department, has put himself strongly on record in that way. Mr. Brinkerhoff, of the Illinois department; Mr. Gould, of the Pacific Mutual; Mr. Sanders, of the Michigan Mutual, and Mr. R. P. Field, all members of the Actuarial Society of America, are known to have expressed the same view. And how about Mr. Fackler? Mr. Putnam, with characteristic recklessness, challenges the production of any statement made by that leading and influential actuary in favor of the preliminary term valuation. And this in face of the fact that Mr. Fackler read a paper giving his opinion on the subject at the Insurance Commissioner's National Convention at Hartford last year, and that it appears in the published proceedings of the convention recently issued by the secretary. It is true that Mr. Putnam was pleased to say in his magazine that as an argument in favor of the one year term reserve Mr. Fackler's paper was pointless. That is another of Mr. Putnam's opinions. No candid reader of the paper will say that Mr. Fackler allowed himself to be misunderstood. So what becomes of Mr. Putnam's iteration that only two persons who accord to his definition of an actuary have taken sides for the preliminary term valuation? Mr. Nichols, who may be supposed to be acquainted with the views of many of his fellow members, says in the *Insurance Monitor* that "his opinion is shared by a number of the best known actuaries." As for the not inconsiderable number of gentlemen peacefully practicing their profession, who have not sought membership in the Actuarial Society—they are not likely to be disturbed by Mr. Putnam's statement that as to their equipment to engage in actuarial practice he "but reflects the prevailing opinion among actuarial authorities at large." Of this class Mr. Wolfe has been singled out for special reference. We do not know that he cares to be defended. Doubtless he is satisfied to let his professional character be determined by the life companies and State insurance departments, which appear to be eager to secure his services in actuarial work and keep him busy. Perhaps his inclusion among "the leading actuaries of the world" by the Supreme Court of Vermont may console him for Mr. Putnam's doubts, and he might even take comfort in the thought that "his opinion as an actuary" was sought by Mr. Putnam for a recent number of *Insurance Economics,* and he only ceased to be an "actuary" after he declined to contribute to that interesting publication. After all, Mr. Putnam's variable opinions of Mr. Wolfe will not count decisively. We suspect that there are quite a number of those who come up to his present definition of an actuary who would be glad to dispense with it if they could be as actively and remuneratively employed in actuarial labor as Mr. Wolfe is.

Facts and Opinions.

A TUBERCULOSIS congress has been in session in London this week, and the most distinguished students of the disease from all over the world have been in attendance. The chairman, the Duke of Cambridge, announced that a gift of $600,000 is forthcoming, which is to be applied to the establishment of a public sanitarium for the treatment of consumption as soon as the recommendations of the congress have been formulated. The most interesting event at the congress has been the presence of Dr. Robert Koch, the German tuberculosis expert, who read a paper on Tuesday in which he made the important announcement that experiments have satisfied him that human tuberculosis and that of cattle are radically different diseases, and that neither human beings nor cattle so diseased can infect each other. Heredity he considered an unimportant factor in the transmission of consumption, although the contrary had long been believed. A London dispatch says:

Dr. Koch said the chief source of danger lay in the sputum of consumptive patients, and a remedy was to be found in a law preventing the consumptive from throwing contagion about him. Several methods to this end were available. The surest of all would be isolation in sanitariums. This, unfortunately, was impracticable, but he strongly urged the establishment of special consumptive hospitals, the obligatory notification to the authorities of the existence of the disease, the disinfection of their quarters whenever consumptives changed their residence, and the dissemination of information to the people concerning the true nature of consumption as an aid in avoiding and combating it. Dr. Koch highly complimented Dr. Herman M. Biggs, pathologist and director of the bacteriological laboratories of the New York City Health Department, upon the repressive measures in regard to tuberculosis taken in New York city, where, he said, the mortality from tuberculosis had been reduced 35 per cent. since 1886. He recommended the system organized by Dr. Biggs in New York to the study and imitation of all municipalities. Dr. Koch closed his remarks by expressing his belief that the ultimate stamping out of tuberculosis was possible.

THE Brooklyn Life insurance company on Monday signed a contract of reinsurance with the Equitable Life Assurance Society, whereby the entire outstanding business of the Brooklyn is assumed by the latter company. The official announcement was made by President Cole to the stockholders as follows:

I take pleasure in announcing to you that this company has made an arrangement with the Equitable Life Assurance Society, of this city, by which all its obligations and contracts with policy-holders and annuitants and all other liabilities will be assumed, guaranteed and fulfilled by said society. The Brooklyn Life insurance company's name has always been synonymous with promptitude of adjustment and conservatism in the administration of its policy-holders' affairs, and this arrangement of reinsurance will continue the same characteristics of good management with the additional advantage of the absolute guarantee of the pre-eminent strength of the Equitable Life Assurance Society, known the world over for all that goes to make up security, safety and permanency of investment. We have no doubt but that you, as a policy-holder of the Brooklyn Life insurance company, will immediately recognize the benefit of this transaction, and we earnestly advise you to avail yourself of the privilege thus afforded you.

The Brooklyn Life began business in 1864, and therefore goes out in the thirty-seventh year of its age. Its total assets July 1, 1901, were $1,960,000; its liabilities on policy-holders' account, $1,620,000, and its gross divisible surplus, $320,000. At the beginning of this year the policies in force were 3,743, representing $5,255,494. One-half of the insurance was on New York lives. The receipts of the company in 1900 were $271,947.67, and the disbursements $259,471.05. The negotiations for the transfer were mainly conducted by Vice-President Tarbell, of the Equitable, and it is understood that they have been in progress several months. The Brooklyn Life sold its New York building in May and has recently given other evidences of a disposition to retire from the field.

THE Metropolitan Life of New York has taken over the entire business of La Compagnie Canadienne of Montreal, which has a considerable business among the French Canadians in and around that city. The "intermediary" was R. Wilson Smith, proprietor of the *Insurance and Finance Chronicle,* of Montreal. A special dispatch from Montreal of Tuesday says:

The Metropolitan assumes all the obligations of the other company, and its policies will remain in force under the conditions upon which they were underwritten. The agents of the Metropolitan, to the number of 200, are at present in session at the Windsor Hotel. In an interview the chairman of the meeting said that complete details would be given out to-morrow,

and added that the Metropolitan would retain the employees of the Canadian company in its service. The interests of the assured, he said, would be assumed by the guarantee of the Metropolitan. What the Canadienne had promised the Metropolitan would carry out. It is stated that the price paid for the company is $110,000, of which $80,000 is to be devoted to the reserve, in order to repay the Provincial Bank, which advanced the money. Mr. Garon, the manager of the Montreal company, has received the offer of a position in New York, in the head office of the Metropolitan.

THE agreement made by the managers of some of the companies on the department store risks of Jordan, Marsh & Co. and the R. H. White Company, at Boston, to call upon the Boston Board for an advance of rates on these properties, has undoubtedly been called off by this time. Not alone were neither a majority of the companies interested, nor the most important of them concerned in the move, but it is pretty clear now that those that were supported it under a mistaken impression, which has since been corrected. The stores, says our Boston correspondent, are excellently well built and protected against fire by about all the devices and safeguards known to modern science, and such drawbacks as are inherent to their necessities, such as large, unbroken areas, are taken into account in the schedule ratings which have been made on them. It stands to reason that if schedule rating does not take care of such conditions, it has no excuse for its existence and application.

DATES AHEAD.—The following are the dates of the annual meetings in which either fire or life underwriters are interested. The insurance press is interested in all:

August 27, 28, International Association of Fire Engineers, at Indianapolis.

September 9, 10, 11, National Association of Local Fire Insurance Agents, at Put-in-Bay, Ohio.

September 11, 12, 13, National Association of Life Underwriters, at Portland, Me.

September 18, The Western Union, at the Frontenac Hotel, Round Island, N. Y.

September 24, 25, 26, National Convention of Insurance Commissioners, at Buffalo.

September 25, 26, Fire Underwriters' Association of the Northwest, at Chicago.

THE Actuarial Society of America will hold its semi-annual meeting on October 24 and 25, probably, but the place of meeting is not yet determined.

THE following delegates and alternates have been appointed by President Frank K. Kohler to represent the Life Underwriters' Association of New York at the annual meeting of the National Association of Life Underwriters at Portland, Me., September 11, 12 and 13:

Delegates—Richard E. Cochran, United States Life; Philip H. Farley, Mutual Life; J. A. Goulden, Penn Mutual Life; Robert I. Murray, Provident Life and Trust; James Yereance, Equitable; John W. Vrooman, Provident Savings; William Dutcher, Prudential; Thomas P. Goodrich, Provident Life and Trust; George A. Brinckerhoff, Mutual Life; John F. Makley, National of Vermont; Frank K. Kohler, John Hancock.

Alternates—M. E. Goulden, Penn Mutual Life; Charles L. Walker, Prudential; J. H. Simonton, Union Mutual Life; Archibald Arthur, United States Life; C. H. McDonald, New England Mutual Life; Henry Hale, Equitable; S. S. Voshell, Metropolitan Life; W. D. Suydam, Mutual Benefit; W. A. Nicolay, Ætna Life; John H. Robinson, Berkshire Life; W. S. Douglass, New England Mutual Life.

WHENEVER Mr. W. E. Underwood makes a change in his editorial and business relations it is an interesting event in insurance journalism, and the announcement therefore that he has retired from his latest connection of this character, the *Vindicator*, to assume charge of the insurance department of the New Orleans *Daily States*, will have the customary effect. As Colonel Toby is to take a rest from newspaper work until the Louisiana fire marshalship is ready for him, the daily press of New Orleans will more than ever need a pen to preach insurance righteousness to the public and underwriters of that city. The man to wield it intelligently, effectively, courageously is Mr. Underwood. He brings a ripe experience in his business to his new labors and a personal popularity that helps greatly to success. We believe that he will make the *States* a power for good to the insurance business of the South.

WESTERN managers have been interested in the prospectus sent out by the promoters of the Anchor Fire of Cincinnati. The following has attracted special attention:

As is calculated and shown by statistics, one-half of premium receipts pay all fire losses, and often one-fourth is shown. The profits arise first from the interest on the capital and surplus invested, and, secondly, from balance of premiums received after expenses and losses are paid.

Foreign fire insurance companies have entered the State of Ohio, and during the past six years have received in the State of Ohio alone the enormous sum of $38,557,717 in fire premiums, and have paid back the sum of $24,268,883 for losses, thus leaving the sum of $14,288,834 for expenses and profits. Query: What proportion of this latter sum should and would naturally go to a home institution, especially under the care of agents in the State directly interested in the company? Fifty-dollar shares of stock are to be sold at $75, so as to provide a surplus, and it is promised that when dividends are declared it will be on the $75 basis.

THE application of Moses Tenenbaum to the Attorney-General of New York that he will begin an action to dissolve the New York Board of Fire Underwriters and the New York Fire Insurance Exchange has been refused by that official on the ground that the public interests do not require the bringing of such actions. Mr. Tenenbaum based his application on the allegation that the two organizations were illegal combinations in restraint of trade, insurance being a commodity or article of commerce upon the price of which the Federal anti-trust law forbids dealers to combine. Attorney-General Davis admitted that he was in doubt upon that question. He might read the United States Supreme Court decision in the case of Paul against Virginia with profit to his understanding.

THE following official notice of the death of ex-President David S. Hendricks, of the National Association of Life Underwriters, has been issued to the members of the executive committee by Chairman Stephen F. Woodman:

A second time during the current official year the painful duty is imposed of formally announcing the death of one who has borne a conspicuous part in the affairs of the National Association, and who by virtue of his high service was a life member of the executive committee. Before the years were heavy upon him, in the flower of his manhood, the seventh president of the National Association, David S. Hendricks, of Washington, D. C., has passed away. His attractive personality, his genial manner and the intrinsic merit of his character endeared him to a multitude of friends. He will long be remembered by those whose pleasure it was to be associated with him in the work of the National Association.

THE Wisconsin Association of Local Agents met at Milwaukee Monday and Tuesday. The resolutions adopted reaffirmed adherence to the sole agency platform and provided for the regulation of brokerages by the local boards. The officers and executive committee elected were: President, N. J. Manson, Wausau; vice-presidents, E. S. Baker, of Portage; W. H. Hardy, of Waukesha; H. R. Allen, of Merrill; E. P. Parish, of Green Bay; C. F. Hubbard, of Milwaukee; W. C. Roenitz, of Sheboygan, and O. S. Morse, of Janesville; secretary and treasurer, Frank Meyer, Milwaukee.

THE action of the New York authorities in refusing to admit Massachusetts assessment companies doing a health benefit business, as commended by the law, which shuts out other State concerns of this kind from the Empire State, blocks the way of the return of the National Accident Society of New York to Massachusetts, because of the retaliatory statutes of that State. The National Accident not long ago was obliged to quit Massachusetts, as its by-laws were not in accordance with Bay State re-

quirements, but claimed to be ready to amend them in order to get back, and now this new and apparently insuperable obstacle confronts the concern.

THE Fidelity Mutual Life of Philadelphia for the first half of 1900 reports an increase in income of 13 per cent., in disbursements of 6 per cent., and in the excess of receipts over disbursements of 48 per cent. The company has arranged a convention to be attended by about 100 of the agents who have led in personal settled business, to be held at the home office from August 26 to September 7. The first week will be devoted to work, and the second to an outing. Agencies which have settled in cash gross premiums before August 1 of $10,000 will be entitled to transportation and entertainment for one person, and if over $15,000, for two.

THE president of the Philadelphia Association of Life Underwriters, Mr. Wakelin, has named the following gentlemen to attend the convention of the National Association of Life Underwriters:

Delegates—H. C. Lippincott, Penn Mutual; W. M. Scott, Provident Life and Trust; Richard Fisher, Washington; H. O. Hildebrand, Ætna Life; H. O. Chapman, Connecticut Mutual; A. C. Otis, Union Mutual; Amos Wakelin, New England Mutual.

Alternates—B. F. Hughes, *Insurance Register;* H. W. Littlefield, Phœnix Mutual; H. A. Bray, Massachusetts Mutual Life; C. A. Capwell, Union Central; Frank Read, National Life of Vermont; Martin Collin, Penn Mutual; C. A. Wray, Home Life.

AT the third annual meeting of the Maine Association of Local Fire Insurance Agents at Portland, July 17, delegates were chosen to the national convention, and the following officers and executive committee were elected: President, L. C. Tyler, of Bangor; vice-presidents, F. C. Lyman, of Bar Harbor; Frank Nelson, of Calais, and P. F. Turner, of Portland; secretary and treasurer, T. J. Little, of Portland; executive committee, H. N. Pinkham, of Portland; W. F. Curran, of Bangor; Fred Atwood, of Winterport; J. R. Little, of Lewiston; G. H. Grant, of Ellsworth; G. S. Gentle, of Houlton; W. D. Pattison, of Wiscasset.

THE new Insurance Superintendent of Missouri, who will succeed Mr. Orear on August 1, is Thomas H. Wagner, of Memphis, Scotland County, regarding whom Governor Dockery, who appointed him, says:

Mr. Wagner is a native Missourian, forty years of age. He is not only a successful lawyer, but has won distinction in the practice of his profession. As a practical and successful business man he has attained unusual eminence. He has the entire confidence of the people of his section of the State where he is best known, both in political and business matters. Few young men in Missouri have developed a higher order of political sagacity.

AT last instructions have been given the inspectors in Western Union territory to promulgate the rates under the new mercantile schedule. A large number of rates have been made under it, but on specific orders from the governing committee these were withheld, the idea being that if only a few were sent out to bear the brunt of inevitable criticism, they would be picked to pieces, while the average would be better if a large number of rates were promulgated as the first test of the schedule.

ON Thursday, F. Wayland Brown, who, with Dr. August M. Unger, was convicted in Chicago of conspiracy to defraud an insurance company in the Defenbach case, was released from jail. The verdict sentencing him to the penitentiary was vacated and an order imposing a fine of $2,000 substituted. Brown paid $1,300 of the fine on Thursday, and his wife, the daughter of a wealthy Cleveland steel manufacturer, went security for the remainder.

THE executive committee of the National Convention of Insurance Commissioners has fixed September 24, 25 and 26 as the dates of the sessions of the next annual meeting, which will be held at the Lenox Hotel, in Buffalo, N. Y. As the president of the association, ex-Commissioner O'Shaughnessy, of Minnesota, is out of office, the vice-president, Commissioner Scofield, of Connecticut, will preside at the opening of the convention.

THE National Life of Vermont has bought from James T. Phelps the building No. 159 Devonshire street, Boston, for many years the headquarters of its State agency for Massachusetts, and now undergoing a thorough reconstruction. When this is completed, in the fall, State Agents James T. Phelps & Co. will move back from the temporary quarters they now occupy on Franklin street.

THE educational campaign in Ohio is doing even better than in Iowa, where all the reports are encouraging, for the reason that in Ohio all classes of companies, Union and non-Union, are co-operating. President J. O. Dye has called a conference of the workers at Put-in-Bay, August 23 and 24, to map out the fall campaign and hear reports as to the probable nominees for the Legislature.

THE Western manager of the Hartford, Mr. Cofran, heard of the burning of the smelter at Florence, Col., Tuesday, with considerable equanimity, having just cancelled $37,500 insurance on it in the Hartford string. Acting on an unfavorable inspection report, he cancelled $20,000 in the Hartford and $10,000 in the Lancashire, and notified the New York Underwriters, which cancelled $7,500. Mr. Cofran also cancelled a $25,000 policy on the Dold plant at Wichita just before the fire.

A FEW of the specials of the lately reinsured companies have been taken care of by the reinsurers. The Hartford, Citizens of Missouri and New York Underwriters found places for several of the Lancashire men, and now the Western department of the Springfield has taken C. H. Silkworth, who represented the Magdeburg in Illinois and adjacent States.

A LONDON cable dispatch to the *Sun* says that the insurance on King Edward's coronation has begun, especially at Lloyds. The present rate of premium is 9 guineas per £100 on the King's life until the end of the coronation, but if the whole festivities, processions, etc., are to be insured against any possible mishap, the charge is 30 guineas per £100.

IN connection with the payment of the final dividend by the receiver of the Maine Benefit Life some rather unusual features appear. Not only all the death claims against the association have been paid in full, but the last assessment paid by the policyholders has been returned to them, in addition to the final dividend of 3.60 per cent.

THE semi-centennial of the birth of the Phœnix Mutual Life insurance company of Hartford occurs next Sunday. The Connecticut Legislature granted a charter to the company July 28, 1851. The *Surveyor* celebrates the occasion with portraits of President Bunce, Vice-President Holcombe and Secretary Lawrence.

THE time for receiving bids on the assets of the Northwestern Life of Chicago has been extended in hope of getting some competition. If nothing better is received, the court has authorized Receiver Washburne to accept the offer of Walter H. Lee, of Chicago, of an amount sufficient to pay 40 per cent. on all claims.

THE Equitable Life Assurance Society has advanced the amount it will insure on a single life from $200,000 to $250,000. The New York Life is restricted by its charter to a maximum

of $200,000. The other two greatest American companies, the Mutual and the Metropolitan, have no limit.

AMONG the interesting subjects suggested by the executive committee of the National Association of Life Underwriters for discussion at the annual meeting is "Does Advertising Life Insurance Pay?" We would like to hear what the opponents of that proposition have to say, if there are any.

THE July issue of the *Insurance Index* very handsomely illustrates the insurance industries of Boston. About one hundred well executed portraits and pictures of office buildings and interiors appear.

THE special meeting of the executive committee of the South-Eastern Tariff Association, which was to have been held at Asheville, N. C., on Thursday of this week, was postponed on account of illness in President Stockdell's family.

THE Netherlands Fire has withdrawn from all of Pennsylvania except Philadelphia, by Weed & Kennedy, who are yet undecided as to whether they will pursue the same course as to their other foreign companies.

THE Ohio Insurance Department has revoked the license in that State of the Tradesmen's Life of New York, a small assessment concern.

THE Newark Fire is being examined by S. H. Wolfe, for the New Jersey Insurance Department.

THE Eagle Fire of New York has joined the New York Fire Insurance Exchange.

Personal

AGENCY APPOINTMENTS.

Connecticut Fire: R. G. McCullough, special agent for the State of Indiana from August 1.

Erie Fire: Lewis & Frear, agents for the New York metropolitan district.

Michigan Mutual Life: George E. Owens, of Pittsburgh, manager for the Western Pennsylvania.

National Standard, New York: Fred. E. Warner, Salem, Mass.; S. C. Warriner, Springfield, Mass.

Northwestern National: J. F. Shannon & Co., Fitchburg, Mass.

Northern: Tatman & Park, Worcester, Mass.

Phœnix of Hartford: John J. Cornish, late with the Magdeburg, special agent for the Phœnix of Hartford.

Phœnix of London: M. F. Driscoll, general agent of the Western department.

Prudential: John J. Gaffney, Holyoke, Mass.

Springfield Fire and Marine: C. H. Silkworth, of Chicago, late special agent of the Magdeburg for Illinois and Wisconsin, appointed special agent of the former company in the Western department; Janvier & Moss, New Orleans, La.; Weed & Parker, St. Paul, Minn.; Robert H. Rose, of Minneapolis, late of the Magdeburg, State agent for Minnesota.

United Firemen's: Charles W. Ford, North Adams, Mass.

Mr. John J. Cornish, who was New England special agent for the Magdeburg until its recent withdrawal from this country, has been appointed special agent for the Phœnix of Hartford for Eastern Massachusetts, excepting the metropolitan district of Boston, and for Rhode Island. He will divide the field work of the company in Maine and New Hampshire with Special Agent W. H. Wart. Mr. George W. Hinkley, of Hinkley & Serrat, of Boston, remains in charge of the Boston metropolitan district, as heretofore.

Mr. J. W. Champlin, president of the Grand Rapids Fire insurance company, died at his home at Grand Rapids, Mich., on Wednesday, aged seventy years. He was mayor of that city in 1857 and Justice of the Supreme Court in 1891. He was for many years president of the insurance company, but was principally concerned in its finances.

Attorney-General Knowlton, of Massachusetts, whose advice to Insurance Commissioner Cutting on the preliminary one-year term matter has made him somewhat conspicuous in life underwriting circles, announces that he will not stand for the office in the autumn election.

Dr. M. N. Regent, of Chicago, the principal in the conspiracy by which the Knights and Ladies of Security was defrauded by the substitution of bodies and the collection of fraudulent claims, has been sentenced to the penitentiary.

Mr. W. F. Dierkes has been appointed agency director of the Old Colony branch office of the New York Life at Boston, succeeding Mr. J. H. Herbener, transferred to the Providence office of the company in a similar capacity.

Insurance Superintendent Orear, of Missouri, will, on August 1, retire from the department to become agency director for the New York Life for Central and Southern Missouri, with headquarters at Jefferson City.

Mr. T. J. McFadden, a sprinkler expert and inspector of fine reputation, has been chosen to succeed H. M. Parson as secretary of the Southern Inspection Bureau at Atlanta.—*Insurance Herald.*

Mr. George T. Hatch, a well-known representative of the Aetna Life at Buffalo, N. Y., died there from the effects of the heat on Tuesday. He was fifty-five years old.

Ex-Insurance Commissioner J. A. O'Shaughnessy, of Minnesota, will, it is reported, be manager of the Bankers Life of St. Paul when it reorganizes as a regular company.

Mr. William Dinkelspiel's examination as a bankrupt was concluded before Mr. Registrar Hope, in London, on June 20. Liabilities, £46,116; assets, £24.

Mr. C. A. La Croux has been appointed general agent for Maine of the Home Life insurance company, with headquarters at Portland.

Mr. Alfred Van Santvoord, a director of the Equitable Life, died in the city of New York on Saturday, aged eighty-three years.

Mr. F. A. Hodges, insurance agent at Birmingham, Ala., died there July 17, aged fifty-one years.

Communications.

Mr. Putnam Defends His Inaccuracy.

To the Editor of The Weekly Underwriter:

DEAR SIR—Since you have on various occasions questioned the accuracy of statements made by the writer in connection with the controversy on one year term insurance, and more recently in connection with the statement that Mr. Nichols is the only living American actuary recorded in favor of preliminary term valuation, and Mr. Macaulay the only Canadian actuary so recorded, I shall ask you to allow me some of your valuable space to present, as briefly as possible, the status of the question as it pertains to actuarial opinion.

The controversy, so far as the *Journal of Insurance Economics* is concerned, was opened by an article published in the April, 1900, issue of that magazine, in which the preliminary term proposition was emphatically opposed. It was then stated that this position was "supported by the best actuarial talent in the country."

This statement was almost universally denied by the advocates of the preliminary term valuation, and the writer was with equal unanimity charged with flagrant misstatement of facts. Attempts were made by several of the insurance publications to obtain opinions from the actuaries of the standard companies favorable to the preliminary term proposition, but this attempt failed absolutely. At an early stage in the controversy it was claimed that the project had the support of Mr. Emory McClintock, actuary of the Mutual Life, but at the solicitation of the *Journal of Insurance Economics,* Mr. McClintock made this statement: "The principles of net valuation laid down in the text books are embodied in the laws of the States. However much I might sympathize with a young company seeking to evade these laws, I could, if I were a commissioner, interpret my duty in only one way. If insurance for life is secured by a contract, I should treat it as insurance for life, even though the contract should describe it as composed of two successive insurances—the first for the term of one year, and the second for the remainder of life."

During the past three years the question of preliminary term valuation has twice been discussed by the Actuarial Society of America. In the course of those discussions the following actuaries have spoken against the preliminary term valuation: Daniel H. Wells, James M. Craig, James C. Crawford, Walter C.

Wright, Bloomfield J. Miller, Emory McClintock and Charlton T. Lewis. The only members of the society who are recorded in its official reports as speaking in favor of the project are Messrs. Walter S. Nichols and Thomas B. Macaulay. Mr. Macaulay's company at one time issued the form of contract under discussion, but discontinued it in view of the adverse ruling of the Canadian Insurance Department. The official records of the Actuarial Society show that so far as that organization is concerned my statement that Mr. Nichols is the only living American actuary recorded in favor of preliminary term valuation, and Mr. Macaulay the only Canadian actuary so recorded, is absolutely correct.

In your issue of June 15, in which you questioned the accuracy of that statement, you said: "So far as it asserts that Mr. Nichols is the only living American actuary recorded in favor of preliminary term valuation, the statement is inaccurate. Mr. Nichols is by no means alone. He has the good company of Mr. Fackler and Mr. Wolfe, and now that Mr. Moir has become an American actuary he can fairly be named with them. Mr. Bloomfield J. Miller believes that the one year term valuation is 'perfectly legal and feasible,' whatever else he may think of it, and the late Mr. William D. Whiting was notably of Mr. Nichols' way of thinking."

So far as Mr. Fackler is concerned, he has never, to my knowledge, placed himself on record in regard to this question. I am unable to find any statement made by him indorsing this proposition as a sound principle of net valuation. I may be mistaken, however, and if Mr. Fackler has made such a statement I should be glad to have you give me the quotation. So far as I know, the only ground for supposing that Mr. Fackler favors the one year term valuation is that he has been employed by one year term companies. It does not seem to me that we have any right to assume, for this reason, that Mr. Fackler is willing to stake his actuarial reputation by indorsing the project, and it seems to me equally true that we have no right to conclude that Mr. Moir favors the project simply because he is now employed as actuary by the company most vitally interested in enforcing a preliminary term valuation.

In regard to Mr. Miller's view, I would refer you to the official report of the Actuarial Society of America, just issued, containing a stenographic report of the recent discussion before the society, these reports in each case being edited by those taking part in the discussion. Mr. Miller said: "This idea of preliminary term insurance, an exemption from the reserve for one, two, three or four years, is humbug. It only means that you are so weak that you are not able to put up the reserve which you would be able to put up if you were a good, strong company. You have voluntarily chosen to incur too high a scale of expenditure in securing business, and having no capital nor surplus to fall back on you cannot put up your reserves; therefore you resort to a trick by which you seek to evade your legal reserve liability."

Concerning the legal aspects of the case, Mr. Miller said that the attempt to issue these "double-barreled policies" is an "evasion of the spirit of the law; whether it be such an evasion of the letter of the law as would induce the courts to set it aside on the simple ground that it is an evasion is something that I think we shall never find out until the courts pass upon it."

It is true that Mr. Miller said that from a "purely mathematical and actuarial view" contracts containing a preliminary term clause might technically be valued as term insurance; but, as we all know, there are a great many propositions advanced in life insurance which are mathematically correct, but which are, as Mr. Miller says, "humbug."

So far as Mr. Wolfe is concerned, while it is true that he is engaged in actuarial practice, I do not feel competent to say whether or not he is entitled to be called an actuary. He is not a member of the Actuarial Society, nor is he the actuary of any particular company. He has acted as attorney for a number of preliminary term companies, and also for several of the State departments. In saying that Mr. Nichols was the only American actuary recorded in favor of preliminary term valuations, I may have been mistaken in excluding Mr. Wolfe from consideration, but, as touching on this point, Mr. Nichols has said: "There is, in the United States, a society of actuaries whose certificate under proper legal sanction could be fitly employed as the credential of the qualified life insurance expert."

As stated, I may have been wrong in excluding from consideration those who are not members of the Actuarial Society, and yet I cannot but confess to a feeling that membership in the Actuarial Society ought to be a part of the equipment of those who engage in actuarial practice. I do not say this in a critical spirit, or with a desire to reflect upon the capacity of Mr. Wolfe or any others outside the society engaged in actuarial practice, and yet the idea which Mr. Nichols has expressed, and in favor of which I own to a prejudice, but reflects the prevailing opinion among actuarial authorities at large.

Very truly yours, HENRY H. PUTNAM.

BOSTON, Mass., July 24, 1901.

Miscellany.

The Liverpool and London and Globe Orders Increased Rates in the South—Bad Conditions the Result of Unfortunate Laws.

Resident Secretary Charles F. Low, of the Liverpool and London and Globe, at New Orleans, has sent out the following circular to agents of the company within his jurisdiction:

The general and serious increase of losses this year has already driven out of business several companies, some of long standing and honorable careers, and makes it necessary for those remaining in the business to increase their rates. The necessity for such increase is greater in your State on account of the unfortunate laws regarding insurance, which have the twofold disastrous effects of increasing fires by tempting persons to commit incendiarism and preventing companies by united action from securing systematic inspections of risks, and removal of defects likely to cause fires. This hindrance of the companies from carrying on the business in a manner which experience has shown to be most economical and efficient, and, therefore, of the greatest benefit to the public, results in increase of fires in property owned by entirely honorable and trustworthy persons, who must nevertheless bear the increased cost of insurance resulting from legislation affecting insurance companies.

In acting upon the necessity for increased rates, which we will have to charge for policies hereafter issued in your State, we have confined ourselves to a few conspicuous classes for the present. It is likely, however, that increases will have to be made as to other classes unless there should be decided improvement in the condition of the insurance business within a short time. We inclose a sheet, naming the increases which we shall require hereafter, and ask you to strictly conform to same. If other companies are willing to write at less rates than we have named we shall have to let the business go to them, feeling sure that by so doing they will be but courting disaster for themselves.

We urge you most earnestly to exercise the greatest vigilance in writing for us hereafter. Scrutinize values carefully and give the company the benefit of any doubt, by reducing the amount of insurance carried where you have reason to think that course is necessary. Inspect carefully all risks and require the removal of defects likely to cause fires where they are discovered. We particularly call your attention to the hazards of electricity and ask you to be prompt in requiring the correction of defects in installations for light and power. Where corrections cannot be secured withdraw our policies from risks affected by such defects or refuse to insure risks so endangered.

We are passing through trying times, calling for the exercise of the best judgment and care on the part of the underwriter. We have full confidence in your loyalty to our interests and feel certain that we can count upon your hearty support in bringing about a better condition. Our interests are mutual, and we should act together, and we are sure that you will assist us in every way.

Semi-Annual Returns of Fire Insurance Companies.

Semi-annual statements have been made so far by the following fire insurance companies, most of them to the Indiana Insurance Department. Comparison has been made with the figures of January 1, taken from the New York Fire Insurance Report of 1901, except for the Western Underwriters, in which case the Illinois report was consulted. The calculation of gain or loss in surplus in the past six months has been made from these bases:

	1901.	Assets.	Liabilities.	Reserve.	Surplus.	Gain or Loss in Surplus.
Buffalo Commercial	Jan. 1	$349,048.34	$113,334.44	$99,525.95	$35,713.90	.....
	June 30	354,290.00	127,298.00	107,386.00	26,992.00	—$8,721
Continental	Jan. 1	10,638,271.47	5,127,732.17	4,272,117 52	4,510,539.30	.....
	June 30	11,058,887.52	5,405,027.95	4,523,913.23	4,653,859.57	+143,320
Eagle Fire	Jan. 1	1,422,890.72	340,058.36	238,561.58	782,832.36	.....
	June 30	1,481,199.66	.....	.....	875,256.45	+92,424
German of Freeport	Jan. 1	3,475,404.52	2,239,682.82	2,028,938.02	1,035,721.70	.....
	June 30	3,801,839.00	2,367,209.00	2,184,301.00	1,234,629.00	+198,108
Grand Rapids	Jan. 1	436,757.03	194,727.71	172,087.08	42,029.32	.....
	June 30	405,535.00	169,928.00	160,877.00	35,607.00	—6,422
Greenwich	Jan. 1	1,890,327.18	1,489,809.70	1,123,126.00	200,517.48	.....
	June 30	2,074,454.00	1,668,114.00	1,149,431.00	206,340.00	+5,823
Hanover	Jan. 1	3,159,779.04	1,674,115.74	1,328,336.32	485,663.30	.....
	June 30	3,184,868.00	.....	1,324,898.00	483,559.00	—2,104
Home, New York	Jan. 1	13,637,833 53	5,340,334.69	4,546,125.00	5,297,498.84	.....
	June 30	14,406,450.33	5,804,634.70	4,714,692.00	5,601,815.63	+304,316
Lafayette	Jan. 1	394,974.43	166,843.87	135,193.27	28,130.56	.....
	June 30	437,182.00	216,706.00	171,029.00	20,472.00	—7,658
Milwaukee Fire	Jan. 1	433,398.56	133,547.30	109,992.21	99,851.26	.....
	June 30	440,714.00	156,934.00	130,333.00	83,780.00	—16,071
Milwaukee Mechanics	Jan. 1	2,519,913.90	964,561.62	821,032.72	1,355,352.28	.....
	June 30	2,525,659.00	1,024,485.00	889,455.00	1,301,174.00	—54,178
Pelican	Jan. 1	387,315 06	104,054.06	73,786.75	83,261.00	.....
	June 30	410,498.00	123,760.00	86,224.00	86,738.00	+3,477
Rochester-German	Jan. 1	1,205,710.42	433,789.47	379,193 52	571,920.95	.....
	June 30	1,218,561.00	530,485.00	434,219.00	488,076.00	—83,845.00
Springfield Fire and Marine	Jan. 1	5,159,623.47	1,841,382.46	1,569,772.79	1,818,241.01	.....
	June 30	5,119,169.00	1,956,724.00	1,646,379.00	1,662,435.00	—155,806
Western Underwriters Association	Jan. 1	487,103.47	244,649.66	229,831.03	42,453.81	.....
	June 30	498,008.00	266,879 00	234,215.00	31,129 00	—11,324

President Jacob L. Greene on an Incontestable Policy.

President Greene, of the Connecticut Mutual Life insurance company, writes as follows upon the subject of "Real Incontestability" of the life insurance policy:

There are two ways of making a policy incontestable: One is for the policy-holder himself to make it so, which he can easily do, so that there can never be occasion to deny the validity of his policy; the other is for the company to agree never to deny its validity, no matter what occasion it may have rightfully to do so, either as a matter of honest dealing between itself and its policy-holder, or as a matter of just protection to the interests of those whose policies need no such provision.

A company insures men presumably to pay their losses as they occur. That it may be able to do this it must make sure of providing sufficient funds. These funds must be provided by the insured themselves. Each one must pay the company in true proportion to the risk he imposes on it, else there is no safety for its contracts and no equity as between the insured themselves or between them and the company.

The company therefore must know as exactly as possible the actual risk in the case of each man. This depends, in the first instance, on three things: His true age, his family history, on which rests largely his chances of long life, and his personal history, which determines the immediate character of the risk, as well as his chances of getting whatever good there may be in his heredity. These things the company knows nothing about. These things he, and no one else as much as he, knows all about.

These things, being the very essence of the risk, are the foundation of the contract; the company's action is and must be determined by them. But as they are unknown to it, and are known to the man who asks for its contract, the company calls on him to declare the truth of these matters. It asks him a series of questions, true answers to which will fully develop all these elements of the particular risk so far as they are known to the applicant; and any questions which go beyond his knowledge he can and should so answer as to declare truly both his knowledge and his ignorance, so that the company is fairly warned of the latter.

As there may be things in his personal history and present condition which are not fully understood or appreciated by him, the company has him examined by its physician. But, except for such physical evidences of soundness or disease as he can discover, the physician is dependent on the applicant for the essential facts in the case; age, family history, and personal history of occupation, former and present habits, former illness, etc. The physician's examination, his advice and the company's action are based on the applicant's statements respecting himself and his history, which he offers as the basis and inducement to the company for the contract he asks them to make. His statements being true, the company knows the quality of the risk and can accurately measure its proper cost; being untrue, it cannot know its quality nor its proper cost. Any contract induced by and based upon false statements is a fraud upon the company, which is not paid for the risk it has been deceived into assuming, but which is getting paid only for a very different and much better risk than the actual one, and is also a fraud on the honest policy-holders in that it does not contribute to the general fund in proportion to the risk imposed upon it, as they are doing. Such a contract, like every other contract procured by deception, is void in the very nature of things. The minds of the parties never met. They never agreed to the things contained in the contract. The man presented by his false statements a risk which was not his; the company agreed to assume for him the risk depicted in his false statements, but which was not his. He never presented the actual risk, the company never assumed the actual risk. There was absolutely no contract. The contract was void in the beginning, and forever void for fraud. Deny that principle, and there is no longer such a thing as commercial morality; there is no longer such a crime as getting money under false pretenses, nor by any other form or method of cheating.

There is just one true way to make the contract indisputably valid: Base it on true statements. Tell the truth and all of it; disclose the true character of the risk as far as it is known to you; where you are ignorant, frankly say so; so conduct your life afterward that you do not commit a fraud on your fellow members by changing the character and proportionable cost of your risk, and it will be impossible to contest your policy. The matter is absolutely in your own hands. You can easily make it safe beyond peradventure. The truth is with you and with no one else. If you do not commit a fraud against the company in getting your policy, nor against your fellow members, afterward, your policy will be absolutely incontestable, not after one or five years, but from start to finish. If it is not so incontestable, it will be for no fault of the company.

The other method of making it incontestable is for the company to agree that it will make no defense against any fraud either in procuring the contract or afterward. If the applicant knows there is something unfavorable, which he is therefore anxious to minimize or suppress altogether, the company undertakes to match its wits against his in the matter, and if he succeeds in the suppression which it fails to discover, it agrees to pay and say nothing of the deceit.

If all the business of the world were put upon such a basis; if

no agreement between men could be set aside for fraud, however gross and patent; if a man once deceived and trapped into a contract had to submit without recourse to whatever spoliation its terms enable the deceiver to inflict, the business world would be at once so rotten and unsafe that men could not deal with each other. It is confidence, business honor and faith, buttressed upon swift and absolute judicial protection against fraud, not only actual and intentional, but constructive and unintentional, that makes business dealing safe and so possible.

The plea put forward in support of such a monstrous scheme of permissive fraud is this: that life insurance, being originally devised for the benefit of the family, ought to be absolutely certain of payment; that so sacred a provision ought not to be subject to any defeasance. So it ought; so it may be; so it will be if the applicant tells the simple truth as he knows it in getting his policy, and does not defraud his fellow members afterward. By so much as the provision ought to be indefeasible, and his duty to make it is a sacred one, is he bound to make it indefeasible by his own act. Its importance to his family does not justify him in deceiving the company into a contract, nor the company in submitting to that deceit. His family's safety ought to be, as it may be, absolutely safeguarded by his own truth and honor: not by the company's agreement to submit to his fraud. The end does not justify such means. No end justifies contracts conceived, framed and executed in fraud and dishonor.

There are a great many men to whom a policy that permits them to defraud the company for the family's benefit is very attractive. There is that in their inheritance, personal history, present condition, or intention as to the future, which is capable of suppression beyond detection, which makes them poor risks, and would prevent them from securing a policy on any standard basis. Their hope and their family's is in successful deceit.

But the premiums paid by such men do not cover the cost of their success to the company. There are two essential phases of their successful fraud: one is getting a contract which they could not get if the truth were known as they know it; the other is that such fraudulent contracts cost the company much more than it gets from them, and the deceiver pays much less than his fraud costs the company. The cost which he does not pay and which falls on the company is paid by the honest men whose risks are up to standard, and who pay accordingly.

The plain common sense of the whole matter is this: The man who tells the truth and the whole truth, both as to what he knows and as to what he does not know, makes his policy incontestable from the start; only the man who can not get a policy by telling the truth needs one in which the company agrees not to defend against fraud; the man who makes his own policy incontestable by his honesty can not afford to pay the cost of the man who has to get his policy made incontestable by the company's permission to defraud it if he can, and there is no earthly reason why he should pay it.

President John A. McCall on Russia's Treatment of American Life Insurance Companies and Trade Relations with This Country.

(*This week's Leslie's Weekly.*)

It is to be sincerely hoped that the present tariff arrangements between this country and Russia will not be changed without the most careful and deliberate consideration, and without due weight being given to all the interests involved.

The insurance companies of the United States are one among many large and important commercial enterprises interested in preserving the most friendly relations between the two governments. Russia has accorded the insurance companies of the United States the fullest facilities for transacting business within her borders, and her officials have at all times been considerate and fair in their treatment of these companies.

During the year 1900 we loaned the Russian Government many millions of dollars, holding her bonds as security for the payment of the money. We know that most of this money was used in payment of purchases made by the Russian Government in the United States.

A long list of American manufacturers and exporters having great and growing business interests in Russia might be cited by whom the situation is regarded in the same light. These concerns include the leading American manufacturers of steel, electric machinery and supplies of all kinds, shipbuilders, locomotive works, bicycle factories, makers of mining tools, agricultural implements, pumps, scales and many other articles in the production of which a vast amount of capital is invested.

All these will suffer seriously if any action is taken that shall cause Russia to adopt a new and more radical tariff policy with respect to American goods. The small loss of income now sustained in one item of customs revenues is for outweighed by our enormous export trade to Russia, and the free trade facilities secured to us in Vladivostok, upon the completion of the Trans-Siberian Railway by the existing tariff agreement, should convince our Treasury Department of the inexpediency of any present action upon a largely theoretical question, viz., the payment by Russia of bounty to her producers by having obtained a tariff concession on sugar from us.

That American trade relations with Russia have not thus far been seriously affected by any action taken by the Russian Government the official figures show. In the ten months ending with April, 1899, our direct exports to Russia were nearly $7,600,000. In the ten months ending with April, 1900, they fell to less than $5,675,000. But in the corresponding period ending April, 1901, our exports to Russia rose to more than $7,130,000.

Moreover, while in April, 1900, before the "tariff war," our exports to Russia were less than $780,000, in April, 1901, when the "war" was fully on, they were more than $1,000,000. It thus appears that if the present situation continues our trade with Russia is certain to be large and increasingly profitable.

In addition to the above reasons, it is of vital necessity that the many interested citizens of this country shall have opportunity and reasonable time for proper completion of the immense contracts now under way in our manufacturing establishments for export to Russia and Siberian ports. If the proposed retaliatory action is continued by our Government we believe it will involve many of our prominent export interests in dangerous and possibly ruinous losses by reason of the counter action which we have every reason to understand will be instituted by the Russian Imperial Government without delay. JOHN A. MCCALL.

The Electrical Hazard at the Pan-American Exposition.

It having been stated that the electric wiring at the Pan-American Exposition is imperfect, and that the inspectors of the Underwriters' Association of the State of New York have been obliged to withdraw its inspectors, therefore many cancellations by companies may be expected, Mr. C. H. Woodworth, chairman of the Pan-American Advisory Committee, appointed by the Buffalo Association of Fire Underwriters, has issued the following statement regarding the electrical equipment of the Exposition:

The electrical features of the Pan-American Exposition were planned by the best electricians in the world. The construction and operation were and are superintended by Henry Rustin, who occupied an important position at the Columbian Exposition and was chief of electrical construction at the Omaha Exposition. Luther Stieringer is the consulting electrical engineer. Professor Sever, of Columbia University, is superintendent of the Electricity Building and the exhibits therein.

The General Electric Company, the Westinghouse Company and other first-class companies who supplied and installed the equipment and material, and those in charge who would lose position and reputation by loss of life or property caused by unsafe electrical conditions are undoubtedly not taking unnecessary risks. As but a fraction of the investment of the Exposition Company is insured, and as a serious fire would ruin the Exposition Company and bring irreparable loss to all interested in the Exposition and its allied and collateral interests, the management is not indifferent to the fire hazard and is taking all practicable precautions against loss.

In addition to the army of expert electricians employed by the Exposition, there are now in the employ of the insurance companies, through the Buffalo Association of Fire Underwriters, three competent electrical inspectors, who give their entire time to Pan-American inspections, having an office on the grounds, with a stenographer for detail work. These men are under the direct charge of Mr. Sigison, a graduate of Lehigh University, and experienced in practical electrical work, who spends part of each day on the grounds. Over all in an advisory capacity is Frank Kitton, chief electrician of the Western Union Telegraph Company, whose work as electrical inspector for the insurance companies in Buffalo for a number of years has been above criticism. All policies written for the Exposition have a condition in the forms requiring that the electrical work shall be subject at all times to the inspection and approval of the electricians now employed by the insurance companies. The electrical hazard of the Exposition has been appreciated and considered by the Exposition Company and the agents of Buffalo. It was

taken into account when the rates were fixed by the rating department of the Buffalo Association and an advisory committee of five special agents. The fact that nearly two years have passed since the first insurance was written for the Exposition Company, without loss, does not prove there will be no fire in the future, but is evidence of safe conditions and watchful supervision.

The recommendations of the inspectors of the national board regarding the water supply and the fire department are practically completed, giving the best protection ever provided for any exposition. The Exposition Company employ a large number of drilled guards and electricians stationed in the fire houses, and expert city firemen in the Exposition buildings.

The Chlorate of Potash Hazard.

(*The Philadelphia Ledger.*)

A preliminary meeting was held in the Commercial Museums Wednesday, July 17, for the purpose of forming an organization of fire insurance men under the title of the Insurance Society of Philadelphia. Some of those in attendance discussed the insurance risks of the present as compared with those of the past and the advisability of organizing to promote the science and improve the methods of fire protection. It is also likely that a laboratory will be established where demonstrations may be given of the dangers of storing and selling certain substances, the hazards of manufactures, as conducted under modern methods, and the practical way of inspecting electrical hazards.

A rather remarkable feature of the meeting was the demonstration given by Inspector William McDevitt of the Fire Underwriters' Association, in which by practical tests he proved that certain chemicals are highly explosive when exposed to heat and smoke such as that from a burning building. Chlorate of potash, formerly considered by chemists as non-explosive when heat is applied, was shown by McDevitt to be just the contrary. His theory was that the smoke from burning wood contains all the elements sufficient to render potash a dangerous explosive. He placed a few grains of chlorate of potash in a crucible along with a small piece of wood in a metal canister tightly closed with a lid. Heat was then applied to the bottom of the can, thus generating oxygen from the chlorate and smoke from the charring wood, and in less than three minutes those present were surprised by a violent explosion, accompanied by a detonating sound. He then demonstrated that saltpetre would produce the same effect, and explained the dangers of picric acid, potassium permanganate, peroxide of sodium, carbon disulphide, celluloid and other commodities. After describing the difference between various grades of gunpowder, the inspector then demonstrated the violent form of flash powders. Although handling his dangerous subjects with the skill of an expert chemist, Mr. McDevitt explained that his only experience was gleaned through his examinations of fires during his twenty-eight years as inspector, investigations made by him during that period and the study of chemistry, which he found necessary to his position.

"Chemistry tells us that any substance which contains in itself an element that will produce combustion will, under certain conditions, produce an explosion," explained Mr. McDevitt, "and this is found to be true, for the explosion of a combustible substance or mixture is nothing more than rapid combustion. I do not believe that there is another single substance to which this can be applied or looked for more, and which is becoming more extensively used, than that of chlorate of potash. It is so treacherous in its action that even the most expert chemists have been killed in their attempts to adapt it for use as gunpowder. It is also used extensively in medical preparations, by dyers for oxidizing purposes and in making oxygen gas. Two recent terrible explosions occurred—one in New York and the other in London—which proved the fallacy of the contention that chlorate of potash stored in large quantities in a burning building is harmless, especially when the absence was proved of other well-known organic substances or chemicals in the structure.

"Owing to the rapid increase in trade in the chemical industries and the developing of new processes in the arts wherein chemicals are used, a consequent increase of hazard from this source of fire has been demonstrated with serious effect. Aside from the risk of manufacturing and compounding or the storage of chemicals by those conversant with the properties of dangerous substances, the handling or storing of them by persons who are either unaware of the danger, or who become negligent, necessitates greater watchfulness on our part whenever chemicals are used or stored."

HANOVER

Agencies in all the Principal Places in the United States.

Fire Insurance Company OF NEW YORK.

The Agricultural Insurance Company of Watertown, N. Y.

ESTABLISHED 1853.

Assets, January 1, 1901 ..... $2,283,558.42
Total Liabilities, except Capital $1,240,017.87
Joint Stock Capital 500,000.00

THERE ARE FEATURES IN THE FIFTY-THIRD ANNUAL REPORT OF

The Penn Mutual Life Insurance Company

Of interest to all engaged in life insurance work.
A copy on request.

THE PENN MUTUAL LIFE INSURANCE COMPANY,
921-925 CHESTNUT STREET, - PHILADELPHIA.

London Assurance Corporation,
CHARTERED A. D. 1720.

SURPLUS IN U. S. JAN. 1, 1901, $838,698.68

CHAS. LYMAN CASE, Manager.
4 PINE STREET, - - - - - NEW YORK.

Provident Life and Trust Co.
OF PHILADELPHIA.

The best in Life Insurance is likely to be the cheapest. The same fidelity, skill and care which are necessary to guarantee the future security of a company result in the lowest cost. A good test, therefore, is to determine whether the organization and the surroundings of a company exclude all doubt as to future security. In determining this the question of cost is determined also. THE PROVIDENT LIFE AND TRUST COMPANY invites inquiry as to its organization and the provisions for safety afforded. For the full period of its existence the death rate has been only .614 of the rate indicated by the authoritative tables.

German American
Insurance Company
New York

29th ANNUAL STATEMENT, JANUARY 1st, 1901.

Cash Capital,	$1,000,000.00
Reserve for all Liabilities,	3,408,569.64
Net Surplus,	4,267,711.70
TOTAL ASSETS,	$8,676,281.34

ÆTNA
LIFE INSURANCE CO.

MORGAN G. BULKELEY, PRESIDENT

Largest Company in the World doing Life, Accident and Health business

ASSETS, OVER . . . $56,000,000.

MOWRY and PATTERSON, Managers Life Department.
GEORGE C. STERLING, Manager Accident Department.

Continental Building, 46 Cedar Street, NEW YORK CITY.

INCORPORATED 1865

GERMAN INSURANCE CO.
OF FREEPORT, ILL.

The Largest and Most Successful Fire Insurance Company in the West.

Assets, January 1, 1901,	$3,656,401.59
Cash Capital,	200,000.00
Liabilities, including reinsurance,	2,181,179.89
NET SURPLUS,	1,275,221.70

C. O. COLLMAN, Pres. HENRY BAIER, Vice-Pres. D. B. SCHULTE, Treas.
WM. TREMBOR, Sec. F. M. GUND, Ass't Sec.

The Largest Fire Insurance Company in Germany.

MAGDEBURG FIRE INSURANCE CO.
OF MAGDEBURG, GERMANY.

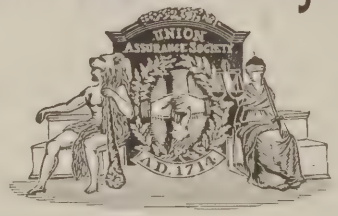
ESTABLISHED 1844.

United States Branch, Magdeburg Building, 17 William Street, New York.
PAUL E. RASOR, Manager. AD. DOHMEYER, Ass't Manager.

Instituted in Reign of Queen Anne, A. D. 1714.

Union Assurance Society of London

No Overhead Writing
No Dual Agencies.



Loyalty to Local Agents.

United States Offices: Society's Building,
35 Pine Street, New York, ... Hall & Henshaw, Managers
171 La Salle Street, Chicago, . . . Hall & Henshaw, Managers
35 Kilby Street, Boston, . . . Hall, Henshaw & Gilmour, Managers
English-American Building, Atlanta, Ga., George N. Hurt, Manager
Mining Exchange Building, Denver, Col., Gerald L. Schuyler, Manager
AGENTS IN ALL THE PRINCIPAL TOWNS AND CITIES.

The Massachusetts Mutual Life Insurance Company,
INCORPORATED 1851.

SPRINGFIELD, MASS.

ASSETS—January 1, 1901	$26,245,622.04
LIABILITIES	23,920,986 53
SURPLUS	2,324,635.51

Definite Paid-up and Cash Surrender Values written in every Policy.

JOHN A. HALL, President. HENRY M. PHILLIPS, Secretary.

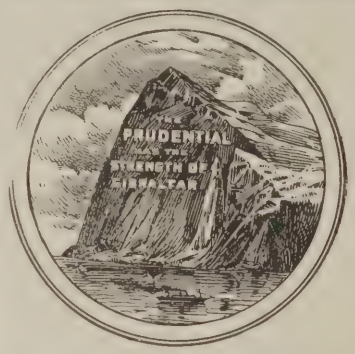
New York Office: Empire Building, 71 Broadway.
GEORGE J. WIGHT, Manager.

The Mutual Benefit Life Insurance Co.
NEWARK, N. J.

AMZI DODD, - - PRESIDENT.

ASSETS (Market Values) Jan. 1, 1901	$74,311,468.25
LIABILITIES, N. J. and N. Y. Standard	68,186,103.34
SURPLUS	6,125,364.91

MUTUAL BENEFIT POLICIES
—CONTAIN—
Special and Peculiar Advantages
WHICH ARE NOT COMBINED IN THE
POLICIES OF ANY OTHER COMPANY



ORDINARY and INDUSTRIAL PROFIT SHARING POLICIES.

EXCEPTIONAL ADVANTAGES TO

..... Active Agents.

WRITE TO

THE PRUDENTIAL INSURANCE CO. OF AMERICA

JOHN F. DRYDEN, President. Home Office: NEWARK, N. J.

Chartered 1866. 33 Years Successful Business.

The Hartford Life Insurance Co.,
HARTFORD, CONN.

Every desirable form of up-to-date contract is issued by this old and sterling company.
All rates and values guaranteed in the contract.

$18,500,000 Paid in Benefits.
Ratio of Assets to Liabilities, $142 to $100.

GEO. E. KEENEY, President CHAS. H. BACALL, Secretary.

State Mutual Life Assurance Co.,
OF WORCESTER, MASS.

A. G. BULLOCK, President.
Incorporated 1844.
Issues policies, incontestable after two years, protected by the Non-Forfeiture Law of Massachusetts. Yearly dividends.

Assets	$17 754,046
Liabilities	5 889 512
Surplus January 1, 1901	$ 864 534

C. W. ANDERSON, General Agent, 189 BROADWAY NEW YORK

ESTABLISHED IN 1822.

THE NATIONAL ASSURANCE COMPANY OF IRELAND.

GEORGE E. KENDALL,
United States Manager,
HARTFORD, CONN.

INCORPORATED 1799

Providence Washington Insurance Company.
PROVIDENCE, R. I.

Established 1782.

Phœnix Assurance Company,

OF LONDON.

FIRE INSURANCE ONLY. LOSSES PAID OVER $100,000,000.

Head Office for the United States, 37 Liberty St., N. Y.

A. D. IRVING, Manager. E. B CLARK, Asst. Manager.
LOUIS P. BAYARD, 2d Asst. Manager.

Northern Assurance Company,

OF LONDON, ENGLAND.

EASTERN AND SOUTHERN DEPARTMENTS,

38 PINE STREET, NEW YORK.

GEORGE W. BABB, JR., Manager. T. A. RALSTON, Sub-Manager.

Connecticut General Life Ins. Co.,

HARTFORD, CONN.

Assets, January 1, 1901	$3,765,824.33
Liabilities	3,416 031.86
Surplus to Policy-holders	$349,792.67

This Company offers a Policy having liberal provisions for Cash Values, Paid-Up Insurance, Residence and Travel, with Ample Security. Active and Experienced Agents Wanted.

R. W. HUNTINGTON, Jr., President. E. B. PECK, Assistant Secretary
F. V. HUDSON, Secretary. JAMES A. TURNBULL, Actuary.

The Union Central Life Ins. Co.,

CINCINNATI, OHIO.

Assets, January 1, 1901,	$26,440,297.28
Surplus,	3,693,343 46

No Fluctuating Securities. Largest Rate of Interest. Lowest Death Rate

Endowments at Life Rates and Twenty Payment Guaranty Policies Specialties.

Large and increasing Dividends to Policy-holders. DESIRABLE CONTRACTS and GOOD TERRITORY open for LIVE Agents.

Address JOHN M. PATTISON President.

Capital, $2,500,000. AGENTS WANTED.

SURETY ON BONDS.

HOME OFFICE BUILDING, NEW YORK.

American Surety Co.,

100 BROADWAY,

NEW YORK.

Capital, $2,500,000.

STATEMENT DECEMBER 31, 1900.

Resources (including Capital, $2,500,000)	$5,354,285.00
Liabilities (including Reserve, $592,251.67)	900,995.71

HENRY D. LYMAN, *President.* W. S. JOHNSTON, *Vice-President.*

TELEPHONE: CORTLANDT 5395.

The American Fire Insurance Co.,

PHILADELPHIA, PA.

CASH CAPITAL	$500,000.00
Reserve for Reinsurance, and all other Claims	1,603,605.54
Surplus over all Liabilities	247,360.42

TOTAL ASSETS, JANUARY 1, 1901..... $2,477,069

THOMAS H. MONTGOMERY, Prest.
RICHARD MARIS, Sec. and Treas. WM. F. WILLIAMS, Asst. Sec.
WM. B. KELLY, Gen. Mgr.

DIRECTORS—Thomas H. Montgomery, Israel Morris, Pemberton S. Hutchinson, Joseph E. Gillingham, Charles S. Whelen, Edward F. Beale, John S. Gerhard, Edward Lowber Welsh, Archibald R. Montgomery.

AN APPOINTMENT AS AGENT FOR THE **CONTINENTAL FIRE INSURANCE CO.** IS A SURE CURE FOR ALL THE WORRIES CARES AND DOUBTS THAT THREATEN AGENTS OF COMPANIES WITH LIMITED ASSETS; CONSTANTLY CHANGING UNDERWRITING IDEAS; OR MANAGEMENT OF UNCERTAIN PERMANENCE.

PRINCIPAL OFFICE, 46 CEDAR STREET, NEW YORK.
WESTERN DEPARTMENT, RIALTO BUILDING, CHICAGO, ILL.

Caledonian Ins. Co.,

FOUNDED 1805. of Scotland.

"The Oldest Scottish Insurance Office."

United States Head Office, 27-29 Pine Street, New York City.

STATEMENT JANUARY 1, 1901.

Assets	$1,910,617.66
Liabilities	1,101,382.62
Net Surplus in the United States	$809,235.04

CHARLES H. POST, U. S Mgr. N. A. MCNEIL, Ass't U. S. Mgr.

National Life Insurance Company of Vermont.

J. C. HOUGHTON, President.
JOS. A. DE BOER, Vice-President.
O. D. CLARK, Secretary.

THIS COMPANY HAS GAINED IN THE LAST DECADE,

In Assets,	$12,275,109.34, or 160.96 per cent.
In surplus,	1,089,332 69, or 119.47 per cent.
In insurance,	48,102,491.00, or 93.64 per cent.

Sells the Most Modern, Profit-Sharing, Non-Forfeitable Contracts of Life, Term, Endowment and Annuity Insurance. Correspondence from interested parties promptly recognized. Good agency contracts for reliable men.

J. F. MAKLEY, General Manager,
149 Broadway, New York.

1846—1901.

THE CONNECTICUT MUTUAL LIFE

Insurance Company.

WHERE THE CONNECTICUT MUTUAL STANDS.

During all the long struggle out of which this situation has developed, and amid the many schemes devised to attract public attention and favor to something else than life insurance, the attitude and position of the Connecticut Mutual have never been doubtful.

It has held to the cardinal facts: Life insurance is for the protection of those dependent on a man's life; their dependence makes it his unavoidable duty. Those dependents we assume to protect by our contract, at his personal cost; our duty to them is to make that protection as large, as secure, and as certainly available to them as possible; our duty to him is to make its cost to him as small as possible.

JACOB L. GREENE, President. **HERBERT H. WHITE, Secretary.**
JOHN M. TAYLOR, Vice-President. **DANIEL H. WELLS, Actuary.**

The Metropolitan Life Insurance Co.

(INCORPORATED BY THE STATE OF NEW YORK.)

"The Leading Industrial Insurance Company of America,"

IS REPRESENTED IN ALL THE PRINCIPAL CITIES OF THE UNITED STATES AND IN CANADA. THE PAYMENT OF OVER 250 DEATH CLAIMS DAILY TELLS OF THE GOOD IT DOES. INSURANCE IN FORCE OF OVER $900,000,000 ATTESTS ITS GREATNESS AND FAVOR WITH THE PUBLIC.

Permanent, Profitable and Progressive Employment.

AGENTS WANTED—Any honest, capable, industrious man, who is willing to begin at the bottom and acquire a complete knowledge of the details of the business by diligent study and practical experience can, by demonstrating his capacity, establish his claim to the highest position in the field. It is within his certain reach. The opportunities for merited advancement are unlimited. All needed explanations will be furnished upon application to the company's superintendents in any of the principal cities, or to the Home Office, No. 1 Madison Avenue, New York City.

JOHN R. HEGEMAN, President.

HALEY FISKE, Vice-President. GEORGE H. GASTON, Second Vice-President. GEORGE B. WOODWARD, Secretary. J. J. THOMPSON, Cashier and Assistant Secretary. JAMES M. CRAIG, Actuary. JAMES S. ROBERTS, Assistant Secretary. STEWART L. WOODFORD, Counsel. THOS. H. WILLARD, Medical Director. A. S. KNIGHT, Assistant Medical Director.

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.

FOUNDED 1792.

Assets, January 1, 1901		$9,583,791
LIABILITIES—Reserved for Reinsurance and all other claims	$4,805,254	
Capital Stock	3,000,000	
Surplus over all Liabilities	1,778,537	$9,583,791

Agents in all the principal towns and cities.

CHARLES PLATT, President. EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. BENJAMIN RUSH, Second Vice-President.
T. HOUARD WRIGHT, Marine Secretary. JOHN B. ATWOOD, Assistant Secretary.

Offices in New York: Fire, William and Pine Sts.; Marine, 63 Wall St.

1825. THE 1901.

Pennsylvania Fire Insurance Co.

OF PHILADELPHIA.

Cash Capital,	$400,000.00
Re-insurance and all Liabilities,	2,771,038.56
Surplus,	2,163,883.97
Total January 1, 1901,	$5,334,922.53

R. DALE BENSON, Prest. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Prest. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

COMMERCIAL UNION ASSURANCE CO.

LIMITED,

OF LONDON.

OFFICE:

Cor. Pine & William Sts., New York.

Phœnix Mutual Life Insurance Co.

OF HARTFORD, CONN.

ORGANIZED IN 1851.

Assets, January 1, 1901	$13,278,711.73
Surplus at Four per cent	564,656.73

Total Paid Policy-holders over

—$42,500,000—

ACTIVE AND INTELLIGENT MEN WANTED AS AGENTS, with whom liberal contracts will be made. Desirable territory now open.

The new plans of the Company are brief, clear and liberal. Life and Endowment Policies have endorsed upon them definite cash, loan, and paid-up values, and in case of lapse, insurance is extended without action on the part of the insured.

J. B. BUNCE, President. J. M. HOLCOMBE, Vice-President.
C. H. LAWRENCE, Secretary.
NEW YORK OFFICE: WEED & KENNEDY, Managers, 149 Broadway.

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

VOL. LXV. SATURDAY, AUGUST 3, 1901. No. 5.

Published every Saturday by the Underwriter Printing and Publishing Company.
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All communications should be addressed to THE WEEKLY UNDERWRITER, 58 William Street, New York.
Checks and money orders should be made payable to the order of THE WEEKLY UNDERWRITER.

WE have received another letter from Mr. H. H. Putnam, which he asks us to publish, but as it is substantially a repetition of the letter to which we gave two columns of our space last week to gratify his greed for advertising himself, we do not see any good reason for complying with his request. Really, we would like to reserve room in our paper for something else than Mr. Putnam's opinions of himself and the persons who have the presumption to disagree with him. He has a paper of his own, and if he feels that it is important that the world shall hear from him on this subject that medium ought to be at his disposal to reach mankind. Now, Mr. Putnam, don't send us another letter about yourself in reply to this. Publish it, if you must, in the *Journal of Insurance Economics*, which is a readable and valuable repertory of insurance views, and has, we trust, a large, increasing and remunerative circulation.

THE sensation mongers are indebted to the indefatigable Klayer for fresh material in the seventeen new lawsuits he has instituted in the county court at Springfield, Ill., against the Ætna insurance company. The malice of the discharged employee is irrepressible, but his cupidity is a stronger incentive than hatred to continue the harrying of the insurance company and its agents in Illinois. According to the delighted yellow reporters he has 6,402 additional suits undergoing incubation on which he expects to collect $10,000,000, one-half of which will go to the informer. After an examination of Klayer's charges Superintendent Van Cleave last September pronounced them "mostly hearsay," on which the evidence was "not sufficient to form a basis for any final determination by the superintendent," and after an examination of the company's general agency books at Cincinnati he accepted $16,000 as a settlement of any possible claims that the State might have for errors and oversights in paying taxes and agents' licenses for a long period of years. The new outbreak by Klayer indicates that he is still in the market for some kind of settlement with somebody.

ONE of the New York daily papers (yellow) is very much pleased with the scheme of a Mr. Lewis, set forth before the Twentieth Century Club, for the insurance of property by the Government against damage from fire. Mr. Lewis adopts the easy process used by the daily newspaper writers when demonstrating the enormous profits realized by the fire insurance companies—of deducting the amount paid for losses from the amount received in premiums. The difference, which according to this insurance reformer has been $777,000,000, approximately, in the last thirteen years, is what the companies and their middlemen have made, and this could have been saved to the citizens if the State itself had insured them. It is the salient feature of all projects of State insurance that the expense of transacting the business is ignored. It is assumed that the State could do exactly what the companies do, but without the aid of middlemen. It could dispense with the trained intelligence which the companies think that they must employ to classify hazards, fix rates, inspect risks and adjust losses, and which costs a good deal of money. The present official machinery could be quite adequate for conducting the Government's insurance business, say these amateur underwriters. The truth is that insurance by the State would cost the public very much more than they pay to private enterprise for protection. It is notorious that political machinery is less economical than that of busines men. It is wasteful and sometimes corrupt, because the officeholder is usually the average politician appointed, not for his business knowledge nor his intelligence, but for service to the party. Fire insurance as a function of government would add another horde of officeholders to the present enormous force, increase losses, increase expenses and increase the rates which the property owning citizens would have to pay for their insurance.

To conduct an investigation which promised to be as comprehensive as it was unnecessary, meant an interruption of the business of the Mutual Reserve for a period that could hardly have been less than one year, and threatened a cost of $50,000. The Mutual Reserve has to work hard to maintain its progress in these days of active competition, and none of its officers or clerks has time to spare from the assiduous conduct of its business. Nor are there any funds in its treasury that can be wasted. Every dollar of the premiums collected by the association is guarded with extraordinary watchfulness.—*Insurance Economist.*

THE above is from an article written in excellent temper and obviously from the pen of the accomplished senior vice-president of the Mutual Reserve Fund Life Association. It seems to us that the officers made a great mistake if their principal objection to an examination by the Western commissioners was due to the fear that it would cost the association $50,000 and interrupt its business for a period of not less than one year. We do not know what examinations such as Mr. Wolfe was directed to make cost, but judging from the bills we have seen published of similar investigations, the expense could hardly have exceeded the saving which the association effects in settling two or three of its policies when they mature. As to the time necessary to make an examination, the association claims that it was very exhaustively examined by the New York Insurance Department at a recent date. On turning to our files we find that Mr. Vanderpoel entered the office of the association May 23, 1899, and quitted it on August 8 following, thus covering a period of ten weeks. We are sure that the officers were unwarrantably apprehensive in this respect, and therefore how much wiser it would have been, being conscious that the condition of the as-

sociation was all right and its present management unassailable, if they had permitted the examination and avoided all the scandal and adverse reports that their action has caused. A cheerful acquiescence would have promoted confidence and disarmed criticism, and if Mr. Wolfe had found mistakes of administration and danger spots, the result would have been far less injurious to the association than the clamor which has been raised over the refusal to allow the accounts to be investigated. And we cannot refrain from remarking that the noisy protests and explanations which the association has been making since its licenses have been revoked have been very poor policy to pursue. They have attracted attention from thousands of people who would otherwise never have heard of its misfortune, and advertised far and wide a fact which has spread doubt and suspicion where before there was indifference, if not confidence. In this foolishness the association has had the assistance of its literary bureau, which for recklessness and violence has outstripped any possible efforts of its officers to be offensive. If they are without desire to have needless trouble created for themselves and the association they will do well to put a curb on the witless blackguard whom they have hired to edit the association organ.

Facts and Opinions.

On Saturday last Daniel F. Myers, president of the insolvent Manhattan Fire insurance company of New York, was arraigned before Recorder Goff in New York on an indictment charging him with grand larceny in appropriating to his own use $27,562.69 belonging to the company. The indictment was brought at the instance of the receiver of the company, Otto Kelsey. Mr. Myers, who resides in Cleveland, where he is a member of the wholesale drug firm of Benton, Myers & Co., came on from that city to meet the charge. He was admitted to bail in $5,000 by the Recorder. Mr. Myers has made a public statement, in which he says that the charge against him is based upon a technicality, and that not one dollar of the Manhattan's money has been wrongfully used by him. He gives the following version of the transaction:

Mr. W. A. Miles, the treasurer of the company, a responsible party, had subscribed for 200 shares of the increased capital stock of the Manhattan Fire insurance company for $27,000. A note was given to the Hanover National Bank for the amount due in four months. This note was also signed by Mr. W. M. Hahn, vice-president of the Manhattan, and myself, with the stock attached as collateral. When the note fell due Mr. Miles, owing to a dangerous illness, was not permitted by his physician to transact business. Thereupon Mr. Myers, with the approval of his associates on the finance committee, ordered the cashier to take up the above note and collateral, for the purpose of carrying the stock until Mr. Miles recovered his health or disposed of the stock to other parties. The amount, $27,000 and interest, stands charged to Mr. Miles on the books of the Manhattan. The original subscription, with the stock attached, was turned over to the cashier of the company. These being the facts, which the books of the company will verify, it is evident a great wrong has been done me in the action taken.

The *Hospital*, an English publication, discussing the relations of Christian Scientists, so-called, with life insurance, says:

The stability of any life assurance company depends, among other things, upon its customers continuing to be drawn from the same class of people—that is, from among people of at least as long as average duration of life as those from whose lives its tables were calculated. But in mutual offices something else besides stability has to be considered. One of the advantages of mutual offices is that if the assured live on an average longer than it was calculated that they would do, and if therefore the business becomes very successful, a certain portion, if not all, of this extra profit comes back to them in the form of bonus, and no one doubts that the amount of bonus distributed is one of the great attractions which draw people to certain offices. These bonuses depend to a large extent upon a careful selection of lives. Everyone sees, for example, that a mutual office which has the greater proportion of its clients engaged in long lived professions, such as the Church, can offer to accept a smaller annual premium than could be accepted by an office which accepted a large number, say of publicans, at its ordinary rates; and the subscribers to a long lived mutual office have good cause for complaint if its managers take to accepting a lot of shaky lives at the same rate as they are paying. Here comes in the Christian Scientist, for unless we are to admit that physicians are charlatans and that medicine has no efficacy in the treatment of disease, it is obvious that any sect which deliberately rejects such a means of prolonging the life of its members as is offered by medical treatment in case of illness must, as far as life assurance is concerned, consist of risky lives.

"Tropical Hazards or Life Insurance Risks in Cuba, Porto Rico and the Philippines" is partly a compilation from the reports of the United States Army and Navy surgeons of facts regarding mortality and sanitary conditions in those countries upon which life insurance companies may reasonably base rates and conditions for the insurable inhabitants. The compilation has been done by Mr. Edward Bunnell Phelps, a most competent hand for the work, and as he has made the only compendium of information on this specific subject yet published, his book, which is handsomely bound and sells for $2, should have a large demand from insurers. It is offered by the Thrift Publishing Company, 141 Broadway, New York. A valuable feature of the work is a statement of the policy conditions of each of the life insurance companies regarding the insurance of officers and privates of the army and officers and seamen of the navy, and of travel and residence in the tropics.

The latest liberalities in personal accident insurance are embodied in two kinds of policies just put on the market by the United States Branch of the Employers' Liability of London. They are its new "Unconditional Policy," under which full benefits are paid for accidents of every description without exception, and double benefits for travel, including elevator and burning building accidents, and its new "Fixed Indemnity or Business Men's Policy," which pays larger benefits for specific injuries than have been offered heretofore; weekly indemnity up to the full principal sums for total disablement, and up to 75 per cent. of that sum for partial disablement. The combination clause is most inclusive in its scope, and has no restriction as to the motive power of any public conveyance, while conferring double benefits for accidents of that category. There should be a broad field for these simply drawn and very liberal policies.

A proposition to increase the capital of the American Central of St. Louis by the addition of $400,000 in 4,000 shares of $100 each will be submitted to the stockholders of the company at a meeting to be held September 24. This increase will give the American Central a capitalization of $1,000,000 and a net surplus of upward of $1,000,000. Each shareholder is to have the privilege of taking two of the new shares for each three old shares held. The old shares of the American Central are on a basis of $25 par value, while the new issue will be on a basis of $100 par. President Cram in a letter to the stockholders says:

The prosperity that has prevailed in the country during the last four years has greatly increased all industrial and commercial values, consequently there comes from every direction increased demands for fire insurance protection, without which the credit of many manufacturers and merchants would be impaired.

We have been favored by the Mutual Reserve Fund Life Association with a pamphlet containing articles republished from insurance papers denouncing the action of the insurance commissioners of Minnesota and Wisconsin in demanding access to the books of the association and revoking its license in their respective States for its unwillingness to comply. The articles as republished have been touched up with lurid head lines and judiciously edited with stars. Now, suppose the commissioners

should publish a pamphlet containing the views of the insurance papers, quite as respectable and as many in number as the others, which have censured the officers of the association for refusing to accede to the examination, what would it prove further than that opinions, for one reason or another, differ?

THE Fidelity Benefit Association of Boston has been committed to the care of A. E. Dennison, receiver, while A. W. Willey performs that office for the Eagle Life Association of Westfield, Mass. Both of these concerns were anxious to wind up their affairs without a receivership, but the Massachusetts Insurance Department could not see it in that light. The Fidelity was brought to book several months ago for procuring members by solicitation, which was a breach of the law governing fraternal beneficiary organizations in Massachusetts. The membership of the Eagle was reinsured by the Mutual Reserve Fund Life Association of New York, which, however, did not take over the assets and liabilities of the Massachusetts fraternal.

NUMEROUS cancellations of insurance in Kansas City, Mo., because of the serious deficiency in the water supply have opened the eyes of the city authorities, and the mayor has recommended the addition of a 30-inch high pressure feeder, to cost $125,000. As the packing houses and large industries have been using nearly 3,000,000 gallons a day, he recommends that the department be given authority to cut them off at any time when the water is needed for general consumption, especially as they pay an inadequate rate for what they use. This will not tend to improve the standing of such special hazards as regards fire protection. The board of public works decided to put new mains in the downtown district at once.

THE acetylene hazard was brought to the front again by the destruction last week of the new and beautiful residence of James L. Means, at Manchester-by-the-Sea, Mass. It appears that just after dinner, Thursday evening, Mr. Means went into the cellar to look after the acetylene gas machine by which the illumination of the house was effected, and left open a door communicating with a kitchen in which a fire was burning. A terrific explosion, followed by fire, ensued. The house and contents were destroyed, and three of its inmates injured, one of them fatally, it is feared. The value of the residence and its fittings was $50,000, on which there was insurance of $12,000 only in the Boston insurance company.

IT appears that an effort has been made by outside parties to secure control of the Phenix insurance company of Brooklyn, and there has been a sudden rise in the quoted value of the stock from 165 to 200. President Sheldon said on Wednesday to a reporter:

This is not a matter that can interest the public at all. It is simply letting the stockholders know my opinion as to the value of their stock. I understand an offer has been made to buy the stock by outside people, and I took means of advising the stockholders that they would be unwise to sell on the present value of their holdings. There are to be no extra or unusual dividends, and I know that there will be no consolidation. It is simply a question of valuation, and I think it would be inadvisable for our stockholders to sell. That is all.

IN consequence of the continued charges in the public press that infantile life insurance is the cause of the murder of children by their parents, the Methodist and General Life Assurance Society of England, while holding that there is no warrant for such reflections on the affection of the poor for their offspring, has inserted the following condition in its infantile policies:

If the assured shall die before attaining the age of five years the society shall not be bound to pay the sum assured, or any part thereof, except upon the production of satisfactory evidence that the amount has been expended upon the funeral and medical expenses of the assured and such other expenses as the society shall consider to have been necessary in connection with the illness and death of the assured.

THE comment of Deputy Auditor Neal, who has charge of the Insurance Department of the Indiana State Auditor's office, on the semi-annual returns of fire insurance companies as received to date is:

So far as I am able to tell from the reports thus far received the companies have done more business than usual during the six months ending July 1, 1901, but their losses have been heavier than they were in the previous six months. The companies are ordering more agents' licenses for the next six months than they did six months ago.

Mr. Neal said, however, that the losses were not so large as he had expected to find them.

Two Georgia pastors, Rev. Mr. McCorkle, of the First Presbyterian Church, and Rev. Mr. Cook, of the Grace Methodist Church, of Savannah, oppose the church endowment insurance scheme on the ground that endowed churches are dead churches. Says Mr. Cook: "The members cease to take any interest in their affairs. The strong, healthy church is that where the members work for it and have an interest in its affairs. Those who support a church must believe that they have an interest in it and not that the church can get along without them. The idea must be, where my treasure is there my heart is also."

THE Dold loss at Wichita, Kan., which created so much interest among fire underwriters on account of the troubles they have had with the firm over previous losses and the consequential damage clause, has been settled at 81.63 per cent. on the insurance, which amounted to $244,250. The loss to the insured was $453,775.93, and to the companies $204,399. The consequential damage clause was not raised, for while the refrigerating plant was destroyed, so were all the chilled meats, except a small lot taken into a smoke house, and not sufficient to justify any controversy. The plant is to be rebuilt.

A SUIT has been brought by Mrs. Jane Loughery, of New Britain, Conn., against the Mutual Reserve Fund Life. A report says:

The plaintiff alleges that her father held a policy for $1,000 payable to her, and that the association upon his death refused to pay the amount of insurance on the plea that the person insured had not given his correct age. Since the claims were filed the defendant has made investigations, not only in New Britain, but in Ireland, and still refuses to pay the full amount of the claim on the ground that it has expended $500 in investigation. The plaintiff affirms that the age was given in good faith, and that she is not responsible for the expenses incurred in investigations by the company.

THE result of the examination of the Merchants insurance company of Newark, by Mr. S. H. Wolfe, has been published by the New Jersey Insurance Department, at whose instance it was made, in regular course, as required by law. The examination was as of May 31, 1901, and reports total admitted assets of $1,323,599.71; total liabilities, exclusive of $400,000 capital, of $807,568.71, and divisible surplus of $116,031. According to the semi-annual statement of the company filed at Indianapolis, the net surplus had increased on June 30, a month later, to $135,911.80.

A SUIT has been started at Pittsburgh, Pa., by Stevenson & Foster against seventy-three fire insurance companies to recover $130,000 for loss on their printing plant caused by the falling down of their building. The standard policy in use in Pennsylvania provides that liability under a policy of insurance against fire shall cease when a building falls, notwithstanding fire may follow. The plaintiff's building began to collapse one night last February, and in ten hours was a wreck. Then it caught fire. The insurance companies naturally deny liability.

THE Roman Catholic Archbishop of California is said to be devising a plan of self fire insurance for the churches of his diocese. Archbishop Riordan has observed that every year

thousands of dollars are paid out by the Catholic churches for insurance against fire. There have been no fires for many years, and he thinks that if the premiums which now go to the insurance companies are paid into a diocesan fund a great amount of money will be saved, and the fund can be drawn upon if ever a loss should happen.

THE Springfield Fire and Marine, in announcing to its agents its reinsurance of the business of the Magdeburg, says: "We wish in this connection to state that we recognize fully the interest which every local agent has in the business on his books, and we do not believe it would be wise or fair, either in the interest of the Springfield or its agents, to give the expirations of Magdeburg business to our agents. It would cause ill feeling between rival local agents with little corresponding benefit to you or the company."

A QUARREL between fire insurance brokers in New York this week, which resulted in their being pulled before Magistrate Pool on charge of attempted extortion and wildcat transactions, revealed the fact that the celebrated Frank W. Anthony, of Brooklyn, is again at large. He was tried there in December, 1898, on the charge of selling a Vermont man a fraudulent policy of fire insurance, since when he has not been heard from until now.

THE Association of Agents of the Northwestern Mutual Life insurance company at its annual meeting at Milwaukee, July 17, elected the following new officers and standing committee: President, A. W. Kimball, Chicago; vice-president, H. D. Rodman, Louisville, Ky.; secretary and treasurer, J. F. Schindler, Milwaukee; standing committee, W. H. Searles, Milwaukee, chairman; Richard Woods, South Dakota; R. S. Goldsbury, New York; J. L. Downs, Baltimore, and Albert Turner, New York.

AT Wapakoneta, Ohio, John Frohnenburg, a fire insurance agent, is defendant in a suit for $812.24, brought by the Fireman's Fund insurance company, the circumstances being that, on March 5, 1901, the agent issued a policy of $2,000 to Peil & Veit, of Jackson Centre, covering general stock of goods, fixtures and building. On March 8, the company claims, Mr. Frohnenburg was ordered to cancel the policy, but neglected to do so, and on March 20 the risk was damaged by fire to the amount sued for.

THE friends of Philip H. Farley, late president of the Life Underwriters Association of New York, have suggested him for the presidency of the National Association of Life Underwriters, to be filled at the annual meeting at Portland, Me., next month. Mr. Farley would make an ideal president of the association. He is capable, judicious and popular, a fluent speaker, an untiring worker and an admirable presiding officer. The association would be fortunate if he could be induced to serve.

THE semi-annual returns of the Phenix of Brooklyn show that on June 30, 1901, the total assets were $6,217,792.50; reserve for insurance in force, $3,192,005.76, and net surplus, $1,710,048.66. The increase in these items in the last year was: Gross assets, $746,138.37; reserve for insurance in force, $201,544.76; net surplus, $469,992.05. Considering the volume of business transacted by the Phenix, no company has made a more creditable appearance in a semi-annual statement than this one.

THE officers of the Southern Pacific Railway have revived their plan for a relief and pension bureau, to which the employees, and especially the trainmen, manifested so much opposition when it was suggested a year or so ago. At that time only 2,000 signatures could be secured out of 25,000 wanted. It is believed that the new plan has been modified so as to do away with the opposition of the railway brotherhoods, as no member of them is to be admitted without the consent of his organization.

SEPARATION has been responsible for a number of changes at Danville, Ill., within the past fortnight, Phillips, Snapp & Phillips, unionized, resigning the Continental, Northwestern National, German of Freeport, and other non-Union companies, and taking the Traders, Merchants of Newark, Fireman's Fund and Thuringia, E. S. Partlow, non-unionized, taking the companies given up by the Phillips firm, and W. J. Wolford, unionized, getting the Pennsylvania and Phenix.

THE State Auditor of Indiana comments on the notorious fact that there are "scattered over the country a number of fraternal society promoters. They are past masters in grips, rituals, passwords and brotherly ethics for the purpose of organizing fraternal insurance schemes, and so long as they have control and can get on the salary list everything is, to them at least, prosperous." To the abundance of these professionals is due the multiplying of small fraternal orders.

THE following question and answer are printed in the last issue of the New York *Record and Guide:*

Question.—Will you inform me why the fire insurance company charges me $17.50 for insuring a house for three years from date, when the same company only charged $9 three years ago for insuring the house for the same length of time?

Answer.—Three years ago there was no agreement among the companies as there is now, and rates were cut almost to insurer's own figures.

SOME 400 agencies throughout the country have been discontinued by Weed & Kennedy. They are all agencies whose annual premium returns are small, and it is believed that, when the correspondence and examination of daily reports in connection with these agencies are considered, there will be a net saving in expenses in cutting them off. Weed & Kennedy will continue to weed out these unprofitable agencies as their accounts come in.

THE first rate sheets under the new schedule for fireproof mercantiles, adopted by the Chicago Board of Underwriters last week, was issued Monday. It makes little change on buildings, but stocks are increased as much as 70 per cent. in the case of the Fair, which is raised from 75 cents to $1.26, Mandel Brothers are increased from 65 cents to 80, and Siegel, Cooper & Co. from 78 cents to $1.09. About forty risks will be increased in all.

THE United Endowment Society of Newark, N. J., is an association which proposes to issue certificates providing for the payment of certain endowments to members npon their marriage. It has applied to the Ohio Insurance Department for a license and has been denied. Unless the New Jersey laws permit the revival of the exploded marriage insurance schemes, this is a case for the attention of Commissioner Bettle.

THE invaluable Surveyor Insurance Directory of the States of New York and New Jersey for 1901 has appeared. It covers both States completely as to names and addresses of insurance companies, agents and brokers, underwriters' organizations, with population of each place in 1901 and kind of fire department. Hall & Roberts, 58 William street, New York, are the publishers. Price, $1 in cloth, and $2 in leather.

AT last Tuesday's meeting of the Boston Board of Fire Underwriters the tariff committee was instructed to rerate the coal and lumber wharves of that city, with a view of supplying a much needed increase. The rate on the Sturtevant Blower Works plant in the Jamaica Plain district of Boston, formerly 65 cents, with 80 per cent. co-insurance, was advanced to 85 cents, blanket form, with 90 per cent. co-insurance.

The president of the Norwich Union, Mr. Hare, complains in the bulletin of the Western Union about the conditions at the Union Stock Yards as he found them in his recent visit to Chicago. He criticises especially the runways for cattle, often two stories high, which connect all parts of the yards, and holds that the frame structures will aid the spread of fires, and that such erections should be of steel.

The courts at Chicago have extended to Friday, August 2, the time for receiving bids for the assets of the Northwestern Life of Chicago, in the hands of a receiver. It is understood that the extension was as much to give Walter Lee, who offered enough to pay 40 per cent. on the claims, time to raise the money, as to get other bids, his being regarded as favorable as could be hoped for.

The Metropolitan Life has subscribed for $500,000 of the stock of the new Worcester Railways and Investment Company of Worcester, Mass. The State Mutual Life has taken $100,000 of the stock. The entire issue is $6,000,000. The company owns the Consolidated Railway Company, the Power and Manufacturing Company and the Quinsigamond Park Company, of Worcester.

The advance in term liability rates decreed by the recent liability conference in New York does not meet with the favor of the Boston Board of Liability Underwriters, which considers the advances too high, as far as Boston is concerned, and has filed a protest against them. The Travelers has put itself on record as not willing to agree to abide by the new Boston rates.

The Georgia Association of Life Underwriters, at its annual meeting at Atlanta July 23, elected the following officers: R. F. Shedden, of the Mutual Life, president; W. R. Harper, of the Ætna Life, vice-president; Thomas Peters, of the Washington Life, secretary. Delegates were elected to the national convention.

The Wisconsin association of local agents proposes to give to its manager, as soon as the proper man can be found for the place, the right to mediate in troubles between agents and their companies and disputes between agents, and the care of legislative work.

The Council of the Actuarial Society of America has accepted the invitation of the officers of the New England Mutual Life insurance company to hold the fall meeting of the society in the city of Boston on October 24 and 25. Further notice will be given concerning the details of the arrangements for these dates.

The Ohio Insurance Department has refused a license to the Hope Live Stock Mutual Benefit Association of Providence, R. I., on the ground that the law makes no provision for such companies from other States, and the Knights of the White Cross, a fraternal beneficiary society, with headquarters in Chicago.

Among the additional semi-annual statements filed at Indianapolis are: Girard Fire and Marine—Assets, $2,018,787; liabilities, $1,100,986; reinsurance reserve, $1,029,005; net surplus, $617,801. New Hampshire Fire—Assets, $3,340,050; liabilities, $1,386,813; reinsurance reserve, $1,193,556; net surplus, $953,237.

Recently the Prudential paid its five hundred thousandth claim. This half-million of claims represents a total paid out by the company since its organization in 1875 of over $45,000,000 in industrial claims. Including ordinary claims, the grand total paid out in claims exceeds $50,000,000.

Country agents in the Northwest are complaining that they are losing their grain lines to the Millers' National, which writes country elevators, on which rates have been raised by the new schedule on the mutual plan, with the understanding that they control the grain as well.

The Mutual Life has an annuitant, Samuel Hurlick, who in 1859 paid $5,500 for an annuity. In the forty-one years that have elapsed since then he has received $19,475 from the company, and is still hale, which goes to confirm the long time adage that an annuity prolongs life.

The capital of the Norwalk Fire insurance company of Connecticut has been reduced from $200,000 to $100,000. The business of this company was reinsured in the London and Lancashire and Orient in 1900, and it was withdrawn from the field by its owners, the former company.

The report was going around yesterday afternoon that the Commercial Union had bought the Manchester Fire outright, but Manager Wray did not credit it, as he had heard nothing of it from the home office.

The Lumbermen's Fire of Philadelphia has suspended business in Boston, Mass., owing to what it considers the inadequate rates obtained there. It has no agencies elsewhere within Massachusetts.

Macon, Ga., has bought another fire engine, and thus complied with the condition made of the South Eastern Tariff Association in response to the request to be rated as a first-class city.

The special tax to raise an arson fund for the Chicago Underwriters' Association has finally received the required number of votes, but not without considerable wire pulling and delay.

The Netherlands Fire insurance company of The Hague and the Lumbermen's Fire insurance company of Philadelphia have this week ceased doing business in Massachusetts.

The general agency for Western Massachusetts of the Equitable Life has been conferred upon Messrs. Fuller & Trask, of Springfield.

The Citizens of New York has changed its reinsurance agency in Chicago from Higley, Wise & Co. to Ducat & Lyon.

Personal

Agency Appointments.

Agricultural: J. E. W. Bailey, Lousiville, Ky., sole agent; all others being discontinued.

Equitable Life: Fuller & Trask, of Springfield, Mass., general agents for Western Massachusetts.

Grand Rapids Fire: Fred B. Spear, special agent in Michigan.

London Assurance Corporation: Adam Gray & Co., Cincinnati, Ohio, sole agents, others being discontinued.

London Assurance Corporation: John Sheperd (formerly special agent of the Magdeburg), special agent for Missouri, Kansas and Texas.

New York Underwriters' Agency: J. Carl Vance (formerly special agent of the Magdeburg), special agent for Eastern New York.

Springfield Fire and Marine: Frederick P. Beates, special agent for Eastern Pennsylvania, Delaware, Maryland and the District of Columbia.

Sun of London: Charles J. Hedwill, Minneapolis, succeeding C. B. Shove & Co.

Union Surety and Guaranty of Philadelphia: C. J. Okell, general agent at San Francisco, Cal.

Mr. William J. Dutton, president of the Fireman's Fund insurance company, who has recently returned to San Francisco from a prolonged visit in the East, was attacked with sudden illness at the Marine Underwriters' annual banquet at San Francisco Friday evening of last week. The attack was so severe that Mr. Dutton lost consciousness, and a physician was called. The party broke up and Mr. Dutton

was taken home in an ambulance. The extreme heat was the supposed cause of the collapse.

Mr. Max Cohen declines to accept the appointment of Insurance Commissioner of the District of Columbia if tendered, and prefers the more exalted occupation of editing *Views*. But this may be a case of the office demanding the man obviously the best equipped for it. It is a question of serving one's fellow citizens instead of one's self.

Mr. L. F. Runck, whose unaccountable disappearance from Cincinnati has been the cause of much comment, has at last returned to that city, and says that he will probably resettle elsewhere. His insurance business has been taken by his brother.

Mr. John A. Robeno has been appointed secretary of the Insurance Company of the State of Pennsylvania, succeeding Mr. A. B. Earle, resigned. Mr. Robeno has been connected with the company twenty-eight years.

Ex-Chief Swenie of the Chicago Fire Department has been elected president of the Chicago Fire Appliance Company, which is a Chicago branch of the Kilfyre business.

Ex-Insurance Superintendent Orrin T. Welch, of Kansas, is now a peaceful bond broker in New York city. He ran a stormy insurance department from 1875 to 1883.

Dr. F. R. Paddock, the medical examiner of the Berkshire Life, who figured so prominently in the Fosburg trial at Pittsfield, Mass., died there July 29.

Mr. James T. Dargan, ex-Southern manager for the Imperial, has returned from Europe, and will shortly announce his new business connections.

President Batterson, of the Travelers, is confined to his bed with an acute attack of sciatic rheumatism.

Mr. J. C. Womack, insurance agent at Reidsville, N. C., died near Asheville, N. C., on Tuesday.

Miscellany.

Per Diem Drinkers and "Cured" Drunkards Objectionable Risks.

(*Dr. George M. Wells, in the Medical Examiner and Practitioner.*)

The establishment of a rule permitting applicants the privilege of drinking a certain quantity of alcohol per diem is exceedingly objectionable, because, among other things, alcohol is exceedingly seductive in its nature, and a habit of using it is soon formed, and this habit has a constant tendency to increase; so that any rule such as has been referred to will certainly be overreached—no matter in what form alcohol is disguised. Those who use lager beer, one of the lowest grades of alcoholics (2 per cent.), often take it in enormous quantities, so that the total amount of alcohol daily imbibed may be great. Especially will this be the case when beer is free, as it is among those connected with breweries and "the trade." These people are subjected to great strain as to their eliminating organs, while there is a constant tendency to an abnormal accumulation of unhealthy grossness. If any of our readers have seen workmen around a brewery, or drivers on brewery wagons, they will remember their gross appearance in its most exaggerated form. We have in our mind a specimen often seen around a prominent brewery in this vicinity, and he is only one of an unknown number—a man about 5 feet 8 inches in height, weighing about 380 pounds, bloated, skin congested, almost purple, full of blotches, nose pendant and jelly-like, eyes sunken, breathing rapid, labored and shallow, wheezing and with a slight cough. Every movement is an exertion as he balances himself on either foot alternately, with arms away from the body and used like an athlete's balancing pole. This man, whose external appearance gives evidence of the effects of alcohol as contained in lager, together with other ingredients out of which it is manufactured and toned up, continues to imbibe day after day, must feel its effects internally. Can he be considered a good risk for insurance?

The temptation to indulge in wine, spirits and malt liquors, when the lunch is free, is often too great for those engaged in the business to withstand.

As we have seen, in whatever form these beverages may be indulged in, there will be a certain amount of alcohol. We have also found that a habit of such indulgence is soon formed. We may continue our observations by saying that this habit once formed is seldom abandoned entirely; it is rather continued to a greater or less extent through life—which is often a short but merry one. Frequent drinking is the worst form of indulging. It is well known that moderately small doses of medicine frequently repeated will keep the system under its influence continually, while larger doses given at long intervals permit it to recover in a measure before another dose is taken. This principle is well illustrated with alcohol. Continual tippling will keep the system in a constantly stimulated and therefore abnormal condition, with a chance for an occasional overindulgence, and always of becoming an habitual user. We sometimes hear of such persons reforming, but reformed drinkers are not always to be depended upon. They are unknown quantities in the calculation, and are not good stock for an insurance company to invest in. The reformed alcoholic applicant is usually an insurance bric-à-brac—very rare and very costly. * *

A question is often asked: What do companies do with these applicants who have taken one of the numerous cures? This resolves itself into the question whether one who has become an habitué of alcohol to a degree that it has become necessary to go to a retreat of this kind has been cured. This is a difficult question to answer. Many very able men have been unable to do so. If alcohol leaves a permanently diseased record upon the victim, then he is uninsurable. Writers have shown that alcohol will do this if indulged in for any length of time. It may be that to go to a sanitarium is only a fad. We have met cases when this is alleged to be so. Generally, however, patients are sent there through necessity. How many are cured? It is impossible to say, but out of those who are said to be cured it is alleged that only about 5 per cent. relapse. This is also an unreliable statement. I have seen a graduate, proud of his blue ribbon, and an advocate of the cure on all occasions, relapse.

The fact is that there is an almost uncontrollable tendency to relapse, and an overpowering thirst for liquor, and this is one of the most prominent and persistent symptoms. Grosvenor, in the *Quarterly Journal of Inebriety*, says "that the craving for alcohol is paroxysmal, and its victim, feeling the foreshadowings of the onset, makes deliberate preparations for its gratification. In many instances so intense is it that only incarceration will prevent it." Even Keeley acknowledges this to be the case. In his work, "The Non-Heredity of Inebriety," he speaks of the remarkable power which alcohol has upon its victim and its effects. Repetition of the act of drinking alcohol, he says, creates an education of the stomach and its nerves. They are taught to experience a periodical craving for liquor, a debauch more or less prolonged, a succeeding nausea and disgust, a rejection of drink and a period of total abstinence. When this education, or training, or inebriety is established, the action of the stomach and nerves become automatic.

The meaning of this is that the nerves act after the manner of their education without prompting. They adopt this method or conduct as a part of their functions, and when they act at all will exhibit this automatism or habit. The course of inebriety is now established. The conduct of the stomach and the nerves and of the person now exhibits the characteristics and the life of the inebriate. The stomach is an inebriate as is the individual. The result of this condition is periodical drunkenness, resulting from an appetite or a craving for liquor. But one of the most remarkable features of the inebriac education will cause the phenomena of inebriety automatically, even if the alcohol is abstained from. The attack will begin with loss of appetite, indigestion and seemingly entire cessation of the natural functions of the stomach and nerves. If food is eaten it will cause the distress incident to indigestion, and is usually rejected by the stomach. There is more or less pain in the gastric region, while the duration and general symptoms resemble an attack or a paroxysm of inebriety. The pain and indigestion will disappear if alcohol is taken at any time during the attack. But if the inebriate abstains by an effort of his will, the natural course of the paroxysm will continue—which is disgust, nausea, a disturbance of the brain and nervous system, a sleepless night or two, then health will return, and the natural order of things belonging to the period of sobriety will again be established.

Such is the picture as drawn by one of the foremost advocates of a cure for inebriety, which he says can be effected. But if by the use of alcohol there is established an automatism or habit which will return even when no alcohol is taken, which will be relieved by alcohol, and which automatism may be overcome if the victim has will power to do so—and the will power is so often impaired that it is totally destroyed. We cannot be convinced that a cure is always effective beyond peradventure in a confirmed alcoholic. We have quoted Keeley as above so that his own idea of an alcoholic may be understood.

When we say that some companies will not touch these cases you will not be surprised. Nevertheless, we do not doubt that some of them are permanently cured. But how is the company to determine this in advance? There is the difficulty, and therefore each case must be considered by itself.

Field Grain Crop Insurance.

(Fireman's Fund Record.)

The unusually heavy losses on field grain crop insurance this season call for a halt in the present careless methods of conducting that very hazardous business. Field grain crop insurance is a growth of this coast, and is due to the long dry six months without rain, and to the enormous areas planted in grain.

Rain usually ceases in April, grain commences to ripen about the last of May, and the harvest continues from that time to October; the ripened grain will stand in the field without sprouting or shelling, giving all the time needed in which to harvest the crop. Field grain policies are generally written for from one to three months.

Grain fields in the Los Angeles, San Joaquin, Sacramento and Solano valleys are measured by miles, sections and townships, not by acres; are connected, in a season like the present, with a growth of wild hay and weeds that will carry the fire from field to field like a prairie fire in the West.

With the thermometer ranging from 100° to 112° in the shade (latter not uncommon in the San Joaquin and Sacramento valleys), and without brooks, green grass, potato land, hay lands or other break in the dry grain and grass; nothing but the strong interest of self-preservation will, on the first smoke sign, rush the threatened farmers with plows, mowers, headers, water wagons and sacks to the fire, and impel them to keep it within limits by plowing, mowing around it, back firing, and by beating it out with wet sacks.

This good hard work has heretofore kept grain field fires within small areas, seldom over a mile or two. Fires are caused by steam threshers, steam harvesters, hot journal in harvester, spark from harvester wheel on a rock, spark from horseshoe on a rock, phosphorous used to poison squirrels, sun rays focused from empty "medicine" bottles, and last, but not least, from the small but deadly cigarette.

The ordinary horse power combined harvester that requires thirty mules or horses to draw it, four men to operate it, and will cut, thresh and put in sacks 40 to 60 acres, 600 to 900 bushels in a day, is a ponderous machine, and its bearings are apt to become heated. The 50 horse power steam, straw or oil burning harvester that cuts, threshes and sacks 80 to 100 acres, 1,200 to 1,500 bushels in a day, not only carries the hot journal and wheel on rock hazard, but also carries the straw, oil or other fuel hazard. These machines head the grain, leaving the straw stubble standing; the sacks of clean grain are dumped into this sometimes 30-inch high stubble, and the grain is as likely to be destroyed by fire as when in the head.

The lottery features of field grain insurance are the impossibility of limiting the amount at risk by any system of mapping, because of the want of clear space in miles of country, and the further impossibility of making an adjustment on other than a guesswork basis, the insured having the first and best guess, after the fire, as to the would-be product per acre. When a few offices handled field grain insurance, the losses were small and the expenses (surveying and watching the risks) were heavy; each risk when written was examined, surveyed, and the probable yield estimated by trained specials and competent agents.

The amounts "uncut," "additional when in stacks," and "additional (to that again) when in sacks," under the various interests of "land owner," "renter," and of "crop owner," were written up in accordance with the carefully prepared "grain tables," which tables provided for such interests; and at all times left a fair margin of not less than 25 per cent. for the insured to carry, and then the business paid a profit. This profit brought into the field other companies, new men and careless methods.

The grain tables were rearranged on a more liberal basis, the provision for additional in "stacks" was eliminated because of the general use of combined harvesters; and the additional provided for, to attach when in "sacks," is by accommodating agents too often included in the original amount when "uncut." This class of competition—to favor good clients, to secure risks and to increase premiums—while not directly the cause of starting fires, has had the effect of the neighboring farmers not hurrying as in times of old, to the fire to stamp it out early, but does warrant them in watching the smoke, taking it easy, and if the fire comes in their direction in going to the nearest station and telephoning for the adjuster.

The Fireman's Fund, a pioneer in field-grain insurance, has had a small, conservative and profitable field business for twenty-five years, and with its trained specials, whose cradle lullaby was "field grain," "uncut," "in stacks and in sacks," and with

(Continued on page 56.)

Life Insurance Payments.

The following is the report of the life insurance companies doing business in the United States to THE WEEKLY UNDERWRITER of the death claims and endowments paid by them during the month of June, 1901:

COMPANIES.	Death Claims.	Endowments.	Total Payments.
Ætna Life	$156,482	$111,063	$267,545
Brooklyn Life	6,350	2,135	8,485
Connecticut General Life	24,105	3,799	27,904
Connecticut Mutual Life	394,431	52,728	447,159
Equitable Life, Des Moines	1,000	.....	1,000
Equitable Life, New York	1,233,243	318,644	1,551,887
Germania Life	211,880	170,900	382,780
Home Life	60,930	9,892	70,822
*John Hancock Mutual Life	209,144	8,759	217,903
Manhattan Life	101,836	2,204	104,040
Maryland Life	5,517	.....	5,517
Massachusetts Mutual Life	124,167	7,344	131,511
*Metropolitan Life	762,582	.....	762 582
Michigan Mutual Life	20,596	17,974	38,570
Mutual Benefit Life	275,455	90,439	365,894
Mutual Life, Louisville	34,622	.....	34,622
Mutual Life, New York,	1,504,912	413,431	1,918,343
National Life, U. S. A.	11,225	.....	11,225
National Life, Vermont	71,864	4,000	75,864
Nederlands Life, U. S. Branch	.....	.....	.....
New York Life	1,087,044	.....	1,087,044
Northwestern Mutual Life	325,878	108,588	434,466
Pacific Mutual Life	44,270	5,110	49,380
Penn Mutual Life	.....	.....	.....
Phœnix Mutual Life	73,708	5,490	79,198
Provident Life and Trust, Phila	63,755	110,118	173,873
Provident Savings Life, New York	167,000	.....	167,000
†Prudential, Newark	547,995	.....	547,995
State Mutual Life	45,000	21,500	66,500
Travelers	75,012	34,600	109,612
Union Central Life	82,805	18,881	101,686
Union Mutual Life	85,083	7,405	92,488
United States Life	31,750	3,240	34,990
Washington Life	64,407	50,968	115,375
Totals	$7,904,048	$1,579,212	$9,483 260

* Partially industrial insurance. † Principally industrial insurance.

Payments Since Organization.

The following table shows the total amount reported paid on death claims and endowments, from their organization to June 30, 1901, inclusive, by the life insurance companies whose monthly lists are printed in THE WEEKLY UNDERWRITER:

Date of Organization.	COMPANIES.	Death Claims.	Endowments.	Total Payments.
1850	Ætna Life	$52,932,885	$22,892,778	$75,825,663
1864	Brooklyn Life	3,814,365	1,613,671	5,428,036
1865	Connecticut General Life	2,754,250	828 250	3,582,500
1846	Connecticut Mutual Life	108,253,918	15,272,722	123,526,640
1867	Equitable Life, Des Moines	741,572	221,744	963,316
1859	Equitable Life, New York	194,123,137	21,163,049	215,286,186
1860	Germania Life	24,883,455	7,881,663	32,765,118
1860	Home Life	11,577,529	2,628,360	14,205,889
1862	*John Hancock Mutual Life	22,740,363	1 863,084	24,603,447
1850	Manhattan Life	29,154,147	2,960,747	32,114,894
1864	Maryland Life	2,419,377	178 509	2,597,886
1851	Massachusetts Mutual Life	21,137,121	3,495,798	24,632,919
1867	*Metropolitan Life	91,045,558	552,716	91,598,274
1867	Michigan Mutual Life	4,836,213	2,836,878	7,673,091
1845	Mutual Benefit Life	92,988,333	8,519,979	101,508,312
1866	Mutual Life, Louisville	3,519,608	290,032	3,809,640
1843	Mutual Life, New York	243,304,662	58,859,657	302,164,319
1868	National Life, U. S. A.	4,299,223	343,772	4,642,995
1850	National Life, Vermont	10,436,826	1,216,226	11,653,052
1893	Nederlands Life (U. S. Branch)	985,560	.....	985,560
1845	New York Life	156,637,855	10,608,596	167,246,451
1857	Northwestern Mutual Life	57,952,784	14,165,403	72,118,187
1868	Pacific Mutual Life	4,675,473	1,125,722	5,801,195
1847	Penn Mutual Life	28,668,315	4,464,970	33,133,285
1851	Phœnix Mutual	22,104,226	4,666,918	26,771,144
1865	Provident Life and Trust, Phila	16,082,020	9,005,697	25,087,717
1875	Provident Savings Life, N. Y.	15,298,681	5,805	15,304,486
1876	† Prudential, Newark	50,208,546	60,281	50,268,827
1845	State Mutual Life	9,619,835	1,934,098	11,553,933
1866	Travelers	12,742,144	4,857,659	17,599,803
1867	Union Central Life	9,560,799	2,149,252	11,710,051
1849	Union Mutual Life	16,077,174	5,431,431	21,508,605
1850	United States Life	14,098,760	1,800,448	15,899,208
1860	Washington Life	17,437,709	5,909,540	23,347,249
	Totals	$1,357,112,422	$219,805,455	$1,576,917,877

* Partially industrial insurance. † Principally industrial insurance.

(*Continued from page* 55.)

its corps of reliable grain agents who can estimate, within a bushel, the product of each acre, and who follow or keep inside of the tables, with "an equal amount on each acre or the product thereof," that the insured may be justified in making due effort to save his and his neighbor's crop, will, with the hopes of a change of methods back to the time when small premiums at a profit, and not big premiums at a loss, was the order of the day, continue in its conservative course of carrying, say 75 per cent. of the risk for good men, and trusts that our friends will discontinue carrying 110 per cent.

Standing grain insured for 70 to 75 per cent. of net cash value, if the hot, dry June north wind doesn't shrink the crop, will probably show a profit, but standing grain insured for 110 per cent. of net cash value will certainly show a loss.

Mutual Life Opinion on Substandard Business.

In *Points,* issued by the Mutual Life insurance company for its agents, the following appears:

To get a conservative, unbiased and unqualified opinion on the question of vicious and substandard business, we recently sent out letters to fifty of the company's general agents and managers seeking an expression from them on this subject. Our inquiry was entirely free from personal opinion, and asked a clear expression of thought and experience as to the desirability of this class of business. When it is considered that a favorable action on the question would tend to materially increase every agent's business, the unanimity and positiveness of the replies are remarkable. And to be candid we had, for the above reasons, rather expected a general recommendation. But the sound business judgment and the astute fairness of our representatives may be judged when it is stated that almost without exception there was an emphatic protest against it. It will be of interest to the public at large to know some of the points brought out in these letters, coming as they do from fifty of the greatest insurance minds in the country, and expressing individual and personal opinions, with no concerted views or previously instructed suggestions.

One of the principal arguments against the practice was that it is an injustice to the honest policy-holder who contributes his yearly premium under the assumption that he is on a footing of mutuality, not only in amount contributed by him, but in the matter of risk assumed.

Another point of objection was the temptation offered for the company to issue substandard policies on lives clearly entitled to regular insurance.

Another, and one by far the most important, was the likelihood of substandard policies being delivered without being fully understood by the insured, and only being discovered years afterward when death occurred and the estate received only one-half, one-quarter, or whatever sum was given instead of what the claimant supposed was the face of the policy.

Another argument, and a strong one, is that such a contract encourages the employment of agents who are given to misrepresenting, and who, through such policies, are enabled to deceive the insured and involve the company..

Summing up these expressions we find a strongly expressed desire that the Mutual Life insurance company of New York continue in its clearly defined position, insuring only clean and unimpaired risks, engaged in desirable occupations and in healthy locations.

Provident Life and Trust Co.

OF PHILADELPHIA.

The best in Life Insurance is likely to be the cheapest. The same fidelity, skill and care which are necessary to guarantee the future security of a company result in the lowest cost. A good test, therefore, is to determine whether the organization and the surroundings of a company exclude all doubt as to future security. In determining this the question of cost is determined also. **THE PROVIDENT LIFE AND TRUST COMPANY** invites inquiry as to its organization and the provisions for safety afforded. For the full period of its existence the death rate has been only .614 of the rate indicated by the authoritative tables.

National Life Insurance Company of Vermont.

J. C. Houghton, President.
Jos. A. De Boer, Vice-President.
O. D. Clark, Secretary.

THIS COMPANY HAS GAINED IN THE LAST DECADE,

In Assets, . . .	$12,275,109.34, or 160.96 per cent.
In surplus, . . .	1,089,332 69, or 119.47 per cent.
In insurance, . .	48,102,491.00, or 93.64 per cent.

Sells the Most Modern, Profit-Sharing, Non-Forfeitable Contracts of Life, Term, Endowment and Annuity Insurance. Correspondence from interested parties promptly recognized. Good agency contracts for reliable men.

J. F. Makley, General Manager,
149 Broadway, New York.

The American Fire Insurance Co.,

PHILADELPHIA, PA.

CASH CAPITAL	$500,000.00
Reserve for Reinsurance, and all other Claims	1,603,605.54
Surplus over all Liabilities	247,360.42

TOTAL ASSETS, JANUARY 1, 1901..... $2,477,069

THOMAS H. MONTGOMERY, Prest.
RICHARD MARIS, Sec. and Treas. WM. F. WILLIAMS, Asst. Sec.
WM. B. KELLY, Gen. Mgr.

DIRECTORS—Thomas H. Montgomery, Israel Morris, Pemberton S. Hutchinson, Joseph E. Gillingham, Charles S. Whelen, Edward F. Beale, John S. Gerhard, Edward Lowber Welsh, Archibald R. Montgomery.

AN APPOINTMENT AS AGENT FOR THE **CONTINENTAL FIRE INSURANCE CO.** IS A SURE CURE FOR ALL THE WORRIES CARES AND DOUBTS THAT THREATEN AGENTS OF COMPANIES WITH LIMITED ASSETS; CONSTANTLY CHANGING UNDERWRITING IDEAS; OR MANAGEMENT OF UNCERTAIN PERMANENCE.

PRINCIPAL OFFICE, 46 CEDAR STREET, NEW YORK.
WESTERN DEPARTMENT, RIALTO BUILDING, CHICAGO, ILL.

PHENIX INSURANCE COMPANY,

OF BROOKLYN, N. Y.

NEW YORK OFFICE:
47 CEDAR ST.

INCORPORATED 1865

GERMAN INSURANCE CO.

OF FREEPORT, ILL.

The Largest and Most Successful Fire Insurance Company in the West.

Assets, January 1, 1901,	$3,656,401.59
Cash Capital,	200,000.00
Liabilities, including reinsurance,	2,181,179.89
NET SURPLUS,	1,275,221.70

C. O. COLLMAN, Pres. HENRY BAIER, Vice-Pres. D. B. SCHULTE, Treas.
WM. TREMBOR, Sec. F. M. GUND, Ass't Sec.

Instituted in Reign of Queen Anne, A. D. 1714.

Union Assurance Society of London

No Overhead Writing

No Dual Agencies.

Loyalty to Local Agents.

United States Offices: Society's Building,
35 Pine Street, New York, ... Hall & Henshaw, Managers
171 La Salle Street, Chicago, . . . Hall & Henshaw, Managers
35 Kilby Street, Boston, . . Hall, Henshaw & Gilmour, Managers
English-American Building, Atlanta, Ga., . George N. Hurt, Manager
Mining Exchange Building, Denver, Col., Gerald L. Schuyler, Manager
AGENTS IN ALL THE PRINCIPAL TOWNS AND CITIES.

The Mutual Benefit Life Insurance Co.

NEWARK, N. J.

AMZI DODD, - - PRESIDENT.

ASSETS (Market Values) Jan. 1, 1901	$74,311,468.25
LIABILITIES, N. J. and N. Y. Standard	68,186,103.34
SURPLUS	6,125,364.91

MUTUAL BENEFIT POLICIES
—CONTAIN—
Special and Peculiar Advantages
WHICH ARE NOT COMBINED IN THE
POLICIES OF ANY OTHER COMPANY.

The Lancashire Insurance Company

OF MANCHESTER, ENG.

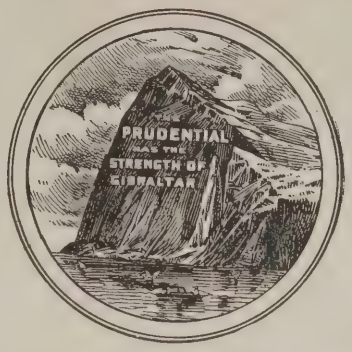
MILTON DARGAN, Manager,

25 Pine Street, NEW YORK.

ESTABLISHED IN 1822.

THE NATIONAL ASSURANCE COMPANY OF IRELAND.

GEORGE E. KENDALL,
United States Manager,
HARTFORD, CONN.



ORDINARY and INDUSTRIAL PROFIT SHARING POLICIES.

EXCEPTIONAL ADVANTAGES TO

..... Active Agents.

WRITE TO

THE PRUDENTIAL INSURANCE CO. OF AMERICA

JOHN F. DRYDEN, President. Home Office: NEWARK, N. J.

Chartered 1866. 33 Years Successful Business.

The Hartford Life Insurance Co.,

HARTFORD, CONN.

Every desirable form of up-to-date contract is issued by this old and sterling company.
All rates and values guaranteed in the contract.

$18,500,000 Paid in Benefits.

Ratio of Assets to Liabilities, $142 to $100.

GEO. E. KEENEY, President CHAS. H. BACALL, Secretary.

HANOVER

Agencies in all the Principal Places in the United States.

Fire Insurance Company OF NEW YORK.

The Agricultural Insurance Company of Watertown, N. Y.

ESTABLISHED 1853.

Assets, January 1, 1901	$2,283,558.42
Total Liabilities, except Capital	$1,240,017.87
Joint Stock Capital	500,000.00

Established 1782.

Phœnix Assurance Company,

OF LONDON.

FIRE INSURANCE ONLY. LOSSES PAID OVER $100,000,000.
Head Office for the United States, 37 Liberty St., N. Y.
A. D. IRVING, Manager. E. B CLARK, Asst. Manager.
LOUIS P. BAYARD, 2d Asst. Manager.

ÆTNA

LIFE INSURANCE CO.

MORGAN G. BULKELEY, PRESIDENT

Largest Company in the World doing Life, Accident and Health business

ASSETS, OVER . . . $56,000,000.

MOWRY and PATTERSON, Managers Life Department.
GEORGE C. STERLING, Manager Accident Department.

Continental Building, 46 Cedar Street, NEW YORK CITY.

National Fire Insurance Company,

HARTFORD, CONN.

JAMES NICHOLS, President. B. R. STILLMAN, Secretary.
H. A. SMITH, Assistant Secretary.
HEAD OFFICE, 95 Pearl Street, Hartford, Conn.

WESTERN DEPARTMENT.
FRED. S. JAMES, General Agent.
G. W. BLOSSOM, Asst. Gen'l Agent.
Office, 174 La Salle St., Chicago.

PACIFIC DEPARTMENT.
GEO. D. DORNIN, - Manager.
GEO. W. DORNIN, Asst. Manager.
Office, 409 California St., San Fran.

State Mutual Life Assurance Co.,

OF WORCESTER, MASS.

A. G. BULLOCK, President.
Incorporated 1844.
Issues policies, incontestable after two years, protected by the Non-Forfeiture Law of Massachusetts. Yearly dividends.

Assets	$17,754,046
Liabilities	15,889 512
Surplus January 1, 1901	$1,864,534

C. W. ANDERSON, General Agent, 189 BROADWAY. NEW YORK.

1850. THE 1901

United States Life Ins. Co.

IN THE CITY OF NEW YORK.
GEORGE H. BURFORD, President.

FINANCE COMMITTEE.

GEO. G. WILLIAMS, . . . *President Chemical National Bank*
JOHN J. TUCKER, ... *Builder*
E. H. PERKINS, JR., *President Importers' and Traders' National Bank*
JAMES R. PLUM, ... *Leather*

Active and successful Agents who desire to make Direct Contracts with this well-established and progressive Company, thereby securing for themselves not only an immediate return for their work, but also an increasing annual income commensurate with their success, are invited to communicate with RICHARD E. COCHRAN, 3d Vice-President, at the Company's Office, 277 Broadway, New York City.

Assets over $8,000,000. Insurance in Force, over $40,000,000

Royal INSURANCE COMPANY (FIRE) OF LIVERPOOL, ENGLAND.

Statement of United States Branch,

JANUARY 1, 1901.

Assets, held in the U. S. for the special protection of its American Policy-holders.	$7,187,715.01
Liabilities, ...	4,703,671.36
Net Surplus, ...	$2,484,043.65

AGENCIES IN ALL THE PRINCIPAL CITIES, TOWNS AND VILLAGES IN THE UNITED STATES.

TO BE FAITHFUL

...To Policy-holders and Agents

is the motto of the management of the Union Mutual. To serve all interests impartially. To treat all parties with consistent candor. To issue policies of pronounced liberality To make all death payments with the utmost promptness. To be fair in all dealings.

Honest, capable Agents can always have employment with us.

Union Mutual Life Insurance Co.

Portland, Maine.

INCORPORATED 1848.

FRED E. RICHARDS, President. ARTHUR L. BATES, Vice-President.

Address either { EDSON D. SCOFIELD, *Supt.*, 1110 Am. Tract Society Bldg. 150 Nassau St., New York City.
THORNTON CHASE, *Supt.*, 84 Adams Street, Chicago, Ill.

German American Insurance Company New York

29th ANNUAL STATEMENT, JANUARY 1st, 1901.

Cash Capital,	$1,000,000.00
Reserve for all Liabilities,	3,408,569.64
Net Surplus,	4,267,711.70
TOTAL ASSETS,	$8,676,281.34

... The ...

Mutual Life Insurance Company of New York

RICHARD A. McCURDY, President,

Did more business in 1900 than during any previous year.

Income in 1900,	$60,582,802.31
Assets December 31, 1900,	$325,753,152.51
Insurance and Annuities,	$1,141,497,888.02

The history of the Company has been an unbroken record of progress. Its excess of returns to policy-holders has been almost **six** times as much as that of the next largest company and nearly **ten** times as much as that of the third in rank.

Total of Assets and policy payments, $866,232,963
Total premiums received, - - - - $779,134,420

Excess of Assets and payments to policy-holders over total premiums received since formation of Company, **$87,098,543**

It has room for workers who are not rebaters. Address

GEORGE T. DEXTER,
Superintendent of Domestic Agencies,
HEAD OFFICE, NEW YORK.

Commercial Union Assurance Co.

LIMITED,

OF LONDON.

OFFICE:

Cor. Pine & William Sts., New York.

Northern Assurance Company,

OF LONDON, ENGLAND.

EASTERN AND SOUTHERN DEPARTMENTS,

38 PINE STREET, NEW YORK.

GEORGE W. BABB, Jr., Manager. T. A. RALSTON, Sub-Manager.

Connecticut General Life Ins. Co.,

HARTFORD, CONN.

Assets, January 1, 1901	$3,765,824.33
Liabilities	3,416 031.86
Surplus to Policy-holders	$349,792.67

This Company offers a Policy having liberal provisions for Cash Values, Paid-Up Insurance, Residence and Travel, with Ample Security. Active and Experienced Agents Wanted.

R. W. HUNTINGTON, Jr., President. E. B. PECK, Assistant Secretary
F. V. HUDSON, Secretary. JAMES A. TURNBULL, Actuary.

The Union Central Life Ins. Co.,

CINCINNATI, OHIO.

Assets, January 1, 1901,	$26,440,297.28
Surplus,	3,693,343 46

No Fluctuating Securities. Largest Rate of Interest. Lowest Death Rate.

Endowments at Life Rates and Twenty Payment Guaranty Policies Specialties.

Large and increasing Dividends to Policy-holders. DESIRABLE CONTRACTS and GOOD TERRITORY open for LIVE Agents.

Address JOHN M. PATTISON, President.

Capital, $2,500,000. AGENTS WANTED.

SURETY ON BONDS.

HOME OFFICE BUILDING, NEW YORK.

American Surety Co.,

100 BROADWAY,

NEW YORK.

Capital, $2,500,000.

STATEMENT DECEMBER 31, 1900.

Resources (including Capital, $2,500,000)	$5,354,285.00
Liabilities (including Reserve, $592,251.67)	900,995.71

HENRY D. LYMAN, *President.* W. S. JOHNSTON, *Vice-President.*

TELEPHONE: CORTLANDT 5395.

The Employers' Liability Assurance Corporation

(LIMITED),

OF LONDON, ENGLAND.

Total Available Resources, $5,382,620.00

$1,324,407.25 deposited in the United States for the benefit of United States Policy-holders.

APPLETON & DANA, U. S. Managers and Attorneys,
71 Kilby Street, Boston, Mass.

EDMUND DWIGHT, Jr., State Agent, 27 William Street, New York.

The Preferred Accident Insurance Co.

OF NEW YORK.

Accident Policies. Health Policies.

Large Benefits, Low Rates, Best Commissions.

December 31, 1899:

Assets,	$779,385.45
Surplus,	365,124.30

KIMBALL C. ATWOOD, Sec'y, 290 Broadway, NEW YORK.

Caledonian Ins. Co.,

FOUNDED 1805. of Scotland.

"The Oldest Scottish Insurance Office."

United States Head Office, 27-29 Pine Street, New York City.

STATEMENT JANUARY 1, 1901.

Assets	$1,910,617.66
Liabilities	1,101,382.62
Net Surplus in the United States	$809,235.04

CHARLES H. POST, U. S. Mgr. N. A. McNEIL, Ass't U. S. Mgr.

The Union Insurance Company

OF PHILADELPHIA.

CAPITAL, - - - $200,000

STATEMENT, JANUARY 1, 1901.

Bonds, Bank and other Stocks, Market Value,	$279,180
First Mortgages on City Property and Demand Loans,	9,900
Real Estate, unincumbered, owned by the Company,	160,080
Premiums in course of collection, Interest due Company and Cash in Banks and Office,	96,032
Total Assets,	$545,120

LIABILITIES.

Reserve for Reinsurance and other Liabilities,	$239,933
Reserve for Losses under Adjustment,	33,915
Other Liabilities,	15,735
Surplus to Policy-holders,	255,537
	$545,120

Losses paid since organization, $17,874,556.

CHAS. S. HOLLINGSHEAD, President.

E. R. DANNELS, Secretary. M. JOS. NOWLAN, Assistant Secretary.

1846—1901.

THE CONNECTICUT MUTUAL LIFE

Insurance Company.

WHERE THE CONNECTICUT MUTUAL STANDS.

During all the long struggle out of which this situation has developed, and amid the many schemes devised to attract public attention and favor to something else than life insurance, the attitude and position of the Connecticut Mutual have never been doubtful.

It has held to the cardinal facts: Life insurance is for the protection of those dependent on a man's life; their dependence makes it his unavoidable duty. Those dependents we assume to protect by our contract, at his personal cost; our duty to them is to make that protection as large, as secure, and as certainly available to them as possible; our duty to him is to make its cost to him as small as possible.

JACOB L. GREENE, President. **HERBERT H. WHITE, Secretary.**
JOHN M. TAYLOR, Vice-President. **DANIEL H. WELLS, Actuary.**

The Metropolitan Life Insurance Co.

(INCORPORATED BY THE STATE OF NEW YORK.)

"The Leading Industrial Insurance Company of America,"

IS REPRESENTED IN ALL THE PRINCIPAL CITIES OF THE UNITED STATES AND IN CANADA. THE PAYMENT OF OVER 250 DEATH CLAIMS DAILY TELLS OF THE GOOD IT DOES. INSURANCE IN FORCE OF OVER $900,000,000 ATTESTS ITS GREATNESS AND FAVOR WITH THE PUBLIC.

Permanent, Profitable and Progressive Employment.

AGENTS WANTED—Any honest, capable, industrious man, who is willing to begin at the bottom and acquire a complete knowledge of the details of the business by diligent study and practical experience can, by demonstrating his capacity, establish his claim to the highest position in the field. It is within his certain reach. The opportunities for merited advancement are unlimited. All needed explanations will be furnished upon application to the company's superintendents in any of the principal cities, or to the Home Office, No. 1 Madison Avenue, New York City.

JOHN R. HEGEMAN, President.

HALEY FISKE, Vice-President. GEORGE H. GASTON, Second Vice-President. GEORGE B. WOODWARD, Secretary. J. J. THOMPSON, Cashier and Assistant Secretary. JAMES M. CRAIG, Actuary. JAMES S. ROBERTS, Assistant Secretary. STEWART L. WOODFORD, Counsel. THOS. H. WILLARD, Medical Director. A. S. KNIGHT, Assistant Medical Director.

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.

FOUNDED 1792.

Assets, January 1, 1901		$9,583,791
LIABILITIES—Reserved for Reinsurance and all other claims	$4,805,254	
Capital Stock	3,000,000	
Surplus over all Liabilities	1,778,537	$9,583,791

Agents in all the principal towns and cities.

CHARLES PLATT, President. EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. BENJAMIN RUSH, Second Vice-President.
T. HOUARD WRIGHT, Marine Secretary. JOHN B. ATWOOD, Assistant Secretary.

Offices in New York. Fire, William and Pine Sts.; Marine, 63 Wall St.

1825. THE 1901.

Pennsylvania Fire Insurance Co.

OF PHILADELPHIA.

Cash Capital,	$400,000.00
Re-insurance and all Liabilities,	2,771,038.56
Surplus,	2,163,883.97
Total January 1, 1901,	$5,334,922.53

R. DALE BENSON, Prest. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Prest. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

INCORPORATED 1851.

The Berkshire Life Insurance Co.

OF PITTSFIELD, Mass.

All Policies issued by the Company are subject to the Massachusetts Non-Forfeiture Law.

WM. R. PLUNKETT, President.

JAS. M. BARKER, Vice-Pres. JAS. W. HULL, Sec'y and Treas.

Agencies in all the principal cities of the United States.

Head Office for the United States:

57 and 59

William Street,

NEW YORK.

A. G. McIlwaine, Jr., Manager.

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

VOL. LXV. SATURDAY, AUGUST 10, 1901. No. 6.

Published every Saturday by the Underwriter Printing and Publishing Company.

Subscription price: Five Dollars per annum in advance. Single Number, Ten Cents.

All communications should be addressed to THE WEEKLY UNDERWRITER, 58 William Street, New York.

Checks and money orders should be made payable to the order of THE WEEKLY UNDERWRITER.

FIRE insurance circles were agitated the latter part of this week by the unexpected information in the *Journal of Commerce* from England that the Phœnix Assurance Company had absorbed the Atlas Assurance Company. The concern was not so much over the announcement that the deed had been committed as on account of the doubt thrown on the alleged transaction by the inability of the managers of the companies in this country to obtain any confirmation of the news from their respective home offices, or, for that matter, any news whatever on the subject from the other side. Our well informed contemporary is not likely to print important statements based upon mere rumor, so that the chances are that the deal has been made; but what are we to think of the ideas of comity that must prevail in the home office of a British company contemplating retirement which gives no thought to the very natural desire of a faithful representative here to know facts of so much importance to himself and his agents?

WE have been favored with copies of letters from several more members of the Actuarial Society of America, approving of the valuation of the preliminary one year contract according to its terms. The publication of these letters helps to disprove again the assertion of our bumptious Boston friend that only two members of the society indorse that form of valuation. To the opinions of the writers quoted we have added that of Mr. Standen, another member of the society, published over his own signature a few years ago. We presume there are other members of the same way of thinking who have not yet had occasion to express their views, for we have the assurance of Mr. Nichols in the *Insurance Monitor* that "his opinion is shared by a number of the best known actuaries." It is hardly worth while to discuss this phase of the question further in the face of these facts.

THE question as to what constitutes an actuary, also raised in Boston, is considered by the *Insurance World* in an article which we republish. It directs attention to the fact that admission to the Actuarial Society of America does not depend alone on actuarial capacity. The by-laws provide that a candidate, who is not already a member of a recognized society of the same character, must not only pass a successful examination as to competency, but must be personally acceptable to all the members of the council, sixteen in number—for two objections exclude, and it is probable that if one member dislikes the candidate he would not have any difficulty in securing the support of another member. In view of this rule it is absurd to make Society membership the sole test of a man's right to the title of actuary. The most completely equipped life insurance expert in the world might not get into the Society if he had personal enemies in the council. Mr. McClintock himself or President Ireland, were he outside, might be excluded for such a reason. Our esteemed contemporary, the *Insurance Press*, we see, labors under the hallucination that there are no "gentlemen who are practicing in this country the profession of actuary," "who have not sought membership in the Actuarial Society." It has "never heard of one who has not sought that privilege," and has heard of several of them who have not yet attained it. It would be trenching upon the right of privacy to name names, but we can assure our contemporary that we do know of recognized actuaries who have not applied for admission to the Society, and have no intention of doing it. To quote the *Insurance World* again: "Quite a respectable contingent have remained outside of the Society, and have not incurred the possibility of rejection by going before the council." The statement of this fact is not a reflection upon the value of membership in the Actuarial Society, nor upon its right to be regarded as one of the greatest and most useful of our learned institutions.

ONCE in a while an especially flagrant case of "jump" settlement of a fire insurance loss excites attention to the hasty adjustment abuse, and there is an outbreak of scolding on the subject from managers which would be of some value if it had a permanent effect. The case in point was recently noticed in our columns and was in brief that which grew out of a fire at Crookston, Minn., in which a stock of goods was burned on which the owners claimed $24,000 from the insurance companies. Later when a specific schedule was made out on the demand of the underwriters the amount was reduced to $19,000. This being still excessive in the estimation of the latter, an appraisal was ordered, and then the claimants offered to settle for $10,000. This was accepted by all the companies but two, which insisted on the appraisal. The result was an award of $5,018. If the companies in a hurry had waited a few days they would have saved half of the payments which they made. The amounts were small, it is true; but the magnitude of the abuse is the same. Jump adjustments are the result either of shiftlessness and laziness on the part of adjusters or a mistaken belief that it may conduce to the popularity of the insurer if he does not kick too vigorously. The fair medium between over-quick adjustments and over-sharp ones should be studied. To

quote from an old writer: "No enduring advantage can be obtained by courting popularity at the expense of care and deliberation. Neither can any be obtained by cultivating economy at the expense of the sympathy and good will of the community. Settlement of losses must be neither hasty nor dilatory, neither in a spirit of prodigality nor in that of churlishness and distrust. The golden rule is the best guide for the adjuster, as for all other men, and in following it he is sure to serve his company well and its customers to their satisfaction." The homily was written long ago, but it is true to-day as then.

Facts and Opinions.

THE Phœnix Assurance Company of London has been negotiating for some weeks past to take over the Atlas Assurance Company of London, making S. J. Pipkin, now general manager of the Atlas, the general manager of the Phœnix, succeeding the late Francis B. Macdonald. The deal was practically closed by the middle of this week, and according to cable advices received in this city Friday a hitch has occurred which may postpone the actual closing of the agreement or possibly upset it altogether. The matter is attracting much attention in London, owing to the importance of the two companies involved. The resident United States managers have had no information from their home offices on the subject, and replies to inquiries by cable had not been received by them at the time we were ready for the press.

TOUCHING the question of insurable interest in life insurance in connection with church endowment schemes, the *Chronicle*, of Montreal, prints the following opinion upon the status of insurable interest under the law in Canada, which it has obtained from an eminent Canadian advocate, Charles M. Holt, LL. D.:

The question of insurable interest would not come up at all in such a case under our law. The law in several of the States of the Union is different, but here a man may insure his own life and make the benefit payable to whom he pleases. The beneficiary need have no insurable interest. The insurable interest that renders the policy valid in this case is the insurable interest every man has in his own life. This is very different from the case where a speculator obtains the insurance, merely using the insured's name as a cover. Such colorable transactions are held gaming or wager policies, and are, of course, as you point out, invalid.

It may be added that Section 150 of the Ontario Insurance Act of 1897 provides that a person of the age of twenty-one years and over "may effect bona fide, at his own charge, insurance or insurance of his own person for the full term of life or any shorter term for the sole or partial benefit of himself or his estate, or any other person, persons or corporations whatsoever, whether such other beneficiary has or has not an insurable interest in the life of the insured. The insurance money may be made payable to any person either for his own use or as trustee for another person."

THE president of the National Association of Local Agents, Mr. Markham, was in Chicago on Tuesday for a conference with Secretary Holmes and C. P. Whitney, chairman of the executive committee, about the coming convention. According to our Chicago correspondent they found all the reports encouraging for a large attendance and a harmonious gathering. The program is in charge of ex-President Woodworth. Mr. Markham said that the executive committee is at work on a plan for rearranging the relations between the national and the State organizations, which it is believed will remedy the difficulties which have been found in the past, and will give the central organization the proper amount of direction over the actions of the State bodies without unduly limiting their freedom of action. This will probably be the principal business of the convention, although lively times are expected on the brokerage question if some local agents carry out their intention of pushing for further regulation, and on the Wilson proposition for a blacklist of rate cutting companies. President Markham, when asked about standing for re-election, replied that he certainly was not a candidate in the sense of seeking for the place, but if the organization wanted him to serve another year he was ready to obey the command. On no consideration, however, would he take a third term.

UNDER the law of Congress establishing an insurance department for the District of Columbia, the superintendent will take charge January 1, 1902. The agitation for the office, however, has begun. The salary is but $2,500, and that of the one clerk allowed but $1,000 per annum. It may not be easy to obtain the best qualified men for this compensation, but the Washington *Times* says:

Commissioner Macfarland announces that it has been determined to appoint a man for superintendent of the new department who is an acknowledged expert in insurance matters. He stated that the position required a man of high abilities who should have a thorough knowledge of insurance law, and an intimate acquaintance with the business methods of insurance companies. He stated that it would be useless to appoint a man without these qualifications. The duties of the position are such that the commissioner is impressed that in justice to the insurance companies, beneficial associations, etc., it is essential that the superintendent shall have practical knowledge of this character. Hence it has been determined that the commissioners, with the aid of prominent insurance men, will find an appointee with the necessary qualifications. Mr. Macfarland remarked that the salary was low for the man required. He is of the opinion that men whom the salary might attract might not be found satisfactory, and that it will be necessary to seek someone already employed in some responsible position and induce him to take up the work of establishing the new Department of Insurance.

A MARE'S nest appears to have been discovered by Insurance Commissioner Johnson, of Texas, or else he has been misrepresented by the Austin *Statesman*. The franchise tax law of Texas requires other State and foreign fire insurance companies to pay taxes on their capital, graded according to the amount thereof. Thus a company with $100,000 capital pays $100 annually and $1 for each $10,000 of capital up to $1,000,000, and $1 for each $100,000 above $1,000,000. It seems that the North British and Mercantile of New York, Caledonian-American of New York, and Liverpool and London and Globe of New York, each having $200,000 capital, have been doing business in the State. The sudden discovery is that these domestic companies are really foreign companies in disguise, and the intimation is that they should pay taxes on the amount of capital of their parent companies, which, by the way, are also doing business in the State. Allowing the objection of the Commissioner to be valid, it will be seen by the schedule above quoted that the extra tax would be very small and barely worth a fuss.

THE National Board of Fire Underwriters has issued a circular containing the report of Inspectors Bruen, Fitz Gerald and Forsyth on the electrical conditions at the Pan-American Exposition. In substance they state that what they regard as dangerous conditions at the Exposition are: The location of oil filled transformers in and underneath building and in close proximity to woodwork, the absence of spark arresters or carbon stops from open series arc lamps, the non-inclosure of link fuse cut outs in fireproof cabinets, the improper support or protection of conductors from the power station entering the Electricity Building, and thence distributing through and underneath all of the principal buildings, and finally the hazardous equipment of the power house in general. This building exposes the inflammable structures in the Midway, which in turn closely expose the main

buildings of the Exposition proper. The report concludes as follows:

We regard all of the above as dangerous conditions. There are, also, numerous minor defects throughout the Exposition buildings which, while not of sufficient importance to warrant specific mention, are of such a nature that trouble is likely to arise unless corrections are made.

THE *Insurance Gazette*, of London, notices a decision by the English Court of Appeal which involves the question of the liability of a life insurance company for a misstatement by its soliciting agent. The following is a summary:

A Mr. Francis McDowall insured the life of a man named Flood in January, 1889, for £30 with the London, Edinburgh and Glasgow insurance company, on the solicitation of an agent. He knew that he had no insurable interest in Flood's life, but the agent told him Flood could make a will in his favor, and he could make it all right. In the Whitehaven County Court recently McDowall sought to recover the premiums he had paid—on the ground that he had no insurable interest in the life of Flood, and, therefore, had had no consideration; and that he had been induced to effect the insurance by the misrepresentation of the agent. The County Court judge gave a verdict for the amount claimed, and the company appealed. The Court of Appeal (Justices Ridley and Bigham) held that the statement of the agent was merely a matter of law—he did not necessarily know that what he said was wrong. If there was no deceit, why was the plaintiff to recover? This was an illegal contract, and the plaintiff could not recover the money he paid under it. It was an attempt by the plaintiff to get money back which he had paid under a contract which he either knew to be illegal or which he must be taken to have known to be illegal. The appeal was allowed, with costs. This decision cannot be too widely known.

THE program of the two days' session of the Fire Underwriters' Association of the Northwest, at Chicago, has been published. On Wednesday, September 25, addresses will be made by President McGregor and J. F. Dowling, of Erie, and papers will be read by Fred W. Williams, of the Aachen and Munich; H. F. Cornell, of the German of Freeport; Jacob Wachenheimer, of the Illinois Association of Local Fire Insurance Agents (on "Insurance from the Local Agents' Standpoint"); Miles M. Dawson, actuary, of New York, and J. F. Stafford, of the Eagle of New York. On Thursday, September 26, papers will be read by W. J. Greer, the Wisconsin manager for the Western Adjustment and Inspection Company; W. H. Hart, State Auditor of Indiana; Clarence S. Pellet, president of the Chicago Underwriters' Association, and J. F. McSween, of the Franklin Fire of Philadelphia. There will be discussions following the reading of each paper, and the usual memorials of deceased members and routine business. The program is unusually attractive.

THE strength of the demand for a reduction of rates on preferred business in Iowa has been weakened materially by the discovery that churches and schools have not been as profitable as was thought. The new mercantile schedule will reduce the small brick mercantiles which were in the preferred class, and with churches and schools out there is nothing of importance left but dwellings. Here the proposition of the Western Union was to make the principal cut on annual business, the reduction on three year policies to be but 5 cents, and none on five year policies. There is so little annual dwelling business that the reduction has been cut to the 5 cents on three year business. Members of the governing committee of the Union still insist that open rates are more probable than any reduction.

THE United Fruit Company, which has its headquarters in Boston, has completed arrangements for the marine insurance on its fleet. The company owns over forty steamships, and practically controls the fruit output of Jamaica, and it recently decided to form a syndicate of New York and Boston individuals and firms to underwrite the line. The advance in the rates for term liability insurance recently ordered by the liability conference is meeting with strenuous opposition from the team owners of Boston, which is considered one of the most unprofitable cities in the country for this class of insurance owing to its crowded and tortuous streets. The daily press of that city has contained the usual fulminations against the advance, but it is unlikely that any concerted action will be taken in regard to it.

IMPAIRED lives may be better in one sense than sound lives for insurance argues a writer in the New York *Times*, who says:

From the statistics which every well managed life insurance company has in its office, but does not show the public, great comfort may be derived by those classed as "impaired lives" and rejected on examination. Not only do they show that such people are likely to live as long, and, generally speaking, as comfortably as those who would be gladly accepted, but when the records are kept up they point to the conclusion that the impaired life, if not too seriously impaired, is likely to be prolonged far beyond the medical prognosis by reason of the care exercised by the man thus classed, who realizes, as the sound man rarely does or can, that he must take care of himself and avoid the excesses or exposures which others think they may brave with impunity. From this point of view a rejection for insurance on medical examination may be a very useful memento mori to a man capable of profiting by the knowledge that he will find prudence and discretion conducive to longevity.

SUIT has been brought by the receivers of the Order of Chosen Friends in the Court of Common Pleas at Baltimore, Md., against the Fidelity and Deposit Company of Maryland, asking $30,000 damages for alleged non-fulfillment of contract. The bill alleges that on October 1, 1895, the Fidelity and Deposit Company bonded William B. Wilson, of Newark, N. J., supreme treasurer of the Order of Chosen Friends, in the sum of $30,000. The premium on the bond, amounting to $140 annually, was duly paid up to the year 1900. In the meantime, the bill says, the order sustained a loss of $34,000 through the dishonesty of Wilson, but the guaranty company has refused to pay over the amount of the bond. The Order of Chosen Friends passed into the hands of receivers on December 31, 1900.

THE fifth annual meeting of the Two Hundred Thousand Dollars Club of the New York Life insurance company will be held at Manhattan Beach, New York, from August 20 to 24, inclusive. Assistant Secretary John C. McCall, of the New York Life, who is secretary of the club, has charge of the arrangements, and addresses will be delivered by President McCall, Vice-Presidents Kingsley and Buckner, Actuary Weeks and Assistant Secretary McCall and others. There will be a banquet at the close, at which, in addition to the officers of the company, Thomas B. Reed and William B. Hornblower will speak. The membership of the club is about 150.

HEADQUARTERS for insurance Knights Templars attending the Triennial Conclave at Louisville, Ky., August 26-30, will be opened in the rooms of the Board of Fire Underwriters, Kenyon Building, 216 Fifth street, in that city. At these headquarters visitors will be able to obtain all information they may desire and make use of every convenience that will render their stay pleasant. All branches of the insurance business in Louisville have organized for the purpose of extending a cordial and hospitable welcome. Visitors may arrange to have mail forwarded to that address, and the principal newspapers from every State will be on file.

A SPECIAL despatch from Buffalo to the *Journal of Commerce* says that the agents of the Westchester, American Fire of Philadelphia, North River, Western and German of Pittsburgh, comprising the entire Non-Board contingent, were admitted to the Buffalo Board at a special meeting that day. Rates on dwellings, churches and schools were restored and stocks in congested districts advanced. Advances on other classes are being considered in committee, and will probably be made at the next meeting.

ON a charge of obtaining money under false pretences, L. S. Waldron, a life insurance agent, was arrested at Indianapolis,

Ind., on last Saturday, at the instance of Dr. Conger, a well-known citizen of Washington, Pa. The doctor alleges that Waldron, who is an agent of the Mutual Reserve Fund Life, induced him to take a policy for $15,000, paying $504 premium thereon, but concealing the fact that the policy was on the assessment plan. Now that he has discovered it, he wants the agent to be punished. Mr. Waldron says that he has letters from Dr. Conger expressing satisfaction with his insurance.

THE Insurance Year Book, 1901-1902, in two volumes, one devoted to fire and marine, the other to life and miscellaneous insurance, has been published by the Spectator Company. These reference books, indispensable in the insurance business, are improved each successive year by new features and valuable statistical additions. The list of prominent agents of all classes in the United States and Canada, a production costing much labor and expenditure of money, contains 40,000 names. The volumes of the Year Book are sold separately if desired, $5 each, or the price is $8 for the two.

THERE are no boards of fire underwriters now in the anti-compact State of Texas, but the insurance men have organized the Texas Fire Prevention Association, which held its first annual meeting July 15 at Dallas, and elected officers. The employment of a permanent secretary being contemplated, a committee was appointed to consider the subject. J. B. Hereford was elected president and R. S. Yocum vice-president, with the following executive committee: W. A. Childress, J. M. Cotton, Charles H. Pescay, John S. Aldehoff, D. E. Grove, J. R. Cravens and McClure Kelly.

ANGRY protests are uttered throughout Nova Scotia against the projected raising of fire insurance rates by the underwriters, and a joint meeting of the Halifax Board of Trade and representatives from the towns of the province has been held, at which it was resolved to do one of three things: (1) ascertain if other companies cannot be induced to enter Nova Scotia for business; (2) take steps to prevent combinations of insurance companies; (3) form a mutual company. The latter seems to be the most feasible and will probably be effected.

ADDITIONAL depositions for use in the Topeka trust cases were being taken in Chicago this week. This examination is not so searching as that of a month ago, as D. R. Hite, the Topeka attorney, who was working for a contingent fee of 25 per cent. of any fines that might be collected, is out of the case, and Thomas Bates, who represents the companies in Chicago, is away on his vacation. Galen Nichols, county attorney at Topeka, represents the prosecution, and David Mulvane the companies.

THE Underwriters' Association of Minnesota and the Dakotas has arranged a deal with the State Board of Control, by which all the State institutions, except parts of the Stillwater Penitentiary, are insured for three years from August 1 at 1 per cent. The total insurance placed amounts to $3,500,000, and among it is $800,000 on which the State University Board has been paying 2 per cent.

THE *Journal of Commerce* reports the July fire loss in the United States and Canada at $15.740,000. It was $13,609,100 in 1900, and $11,420,400 in 1899. The first seven months of 1901 aggregate $104,675,150, against $116,980,000 in 1900, and $77,425,400 in 1899. The largest July fire loss was at Davenport, Ia., where saw mills and lumber valued at $700,000 were burned.

IN Chicago a suit has been brought by the State's attorney against Emanuel Heyman, an agent of the New York Life insurance company, charging him with giving rebate in premium on two policies of $50,000 each on the life of Frank A. Hecht, a manufacturer, in 1899. The attorney for the defendant says that the suit has been instigated for blackmailing purposes.

THE semi-annual statement of the financial condition of the Fidelity and Casualty Company shows that on June 30 the assets had reached $4,435,559, and the surplus to policy-holders $1,357,871. In twenty years the gross assets have grown from $382,342 to the present impressive figures; over a thousand per cent. The amount of all losses paid since 1881 is $13,478,114.

"THE Parable of Rubbanek, the Brother of Eze-Munni," illustrates in the Oriental form of speech the excellence of an endowment policy in the Ætna Life insurance company. The argument, composed by Mr. W. G. Morgan, editor of *The Aetna*, is set forth with humor and pictures, and is well calculated to induce the uninsured to read and be convinced.

AN Austin press despatch says that Insurance Commissioner Johnson will call the Governor's attention to foreign insurance companies evading taxation in Texas. Those required to pay on amount of capital stock have from $5,000,000 to $15,000,000 capital in Europe and from $200,000 to $500,000 when organized as branches in this country.

As President Dangaix and Secretary Reynolds of the Consolidated insurance company, of Birmingham, Ala., have resigned to become respectively president and cashier of the new Birmingham Savings Bank, the insurance company has elected C. L. Stickney president, and Cary Thompson secretary, to fill the vacancies.

TWENTY-FOUR companies have withdrawn from St. Louis since the first of the year, owing to unfortunate experience, the last being the Traders of Chicago and the Grand Rapids. Since July 1, 1899, sixty-one companies, with assets of over $42,000,000, have retired from business in that city.

IN the list of insurance companies on the Dold Packing Company loss at Wichita, Kan., are the following: Bulgaria, Commerz of Moscow, Gladbacher, La Guarantie of France, Lloyds, of London, and Quebec insurance company. The Lloyds is down for $67,500.

IN the first six months of 1901 Chicago fire losses were $2,428,513, against $1,833,732 in the first six months of 1900, according to the report of the Chicago Fire Insurance Patrol, an increase of $594,781. There were 3,812 fires in 1901, and 3,597 in 1900, an increase of 225.

THE two well-known Argus Comparative charts showing the receipts and losses of fire insurance companies in the Eastern and the Western States in the preceding year have been issued by the Rollins Publishing Company, Chicago.

FOLLOWING the heavy losses at Ottawa and Hull there has been a loss of over $1,000,000 on other lumber in Canada, and the Underwriters' Association is putting up the rates on that class of hazards.

THE insurance business is not entirely relieved of the war revenue tax, the internal revenue department having given a report to the Traders of Chicago that a 50 cent stamp is required for bonds given the company by agents.

FOLLOWING the discontinuance of the Western reinsurance department of the Citizens of New York last week, the Home of Maryland called in its department also with Higley, Wise & Co., of Chicago.

THE Western of Louisville has increased its capital from $100,000 to $150,000 from accumulated profits. The additional

stock will be apportioned among the present stockholders as extra dividends.

THE increase of the insurance business in Iowa is shown by the fact that for the biennial period ending June 30, 1901, the companies paid $77,000 more in taxes than in the preceding two years.

THE Tennessee Insurance Department collected $75,000 during July on the 2½ per cent. tax on the premium receipts of the fire insurance companies for the first six months of the year.

A BERLIN cable despatch says that the New York Life has paid 500,000 marks ($119,000) on policies taken out by bankers who committed suicide on account of the Leipsic Bank failure.

THE National Indemnity and Insurance Company, of Baltimore, a health insurance company, is reported to be seeking reinsurance, says the *Insurance World.*

A FLOATING paragraph alleges that a company has been organized in France to insure candidates for the National Assembly against defeat in the elections.

THE Interstate Life of Cincinnati was to reincorporate on Thursday as a legal reserve company and deposit $100,000 with the Ohio Insurance Department.

Personal

AGENCY APPOINTMENTS.

Continental: Henry D. Rodgers, special agent for Maryland (except Baltimore) and West Virginia.

Delaware and Reliance: S. A. Barclay, formerly of Indianapolis, general inspector in the West.

Fireman's Fund: Loyal, Durand & Co. and W. T. Durand, Milwaukee, Wis., transferred from L. A. Wheeler & Co.

Insurance Company of North America: Jenness & Taylor, Baltimore, Md.

Insurance Company of the State of Pennsylvania: J. H. Clinton, special agent for Ohio and Michigan.

Mr. Henry C. Frick, of Pittsburgh, on Wednesday was elected a director of the Equitable Life Assurance Society to fill the vacancy caused by the death of A. Van Santvoord. Mr. Frick is the well-known steel magnate of Western Pennsylvania, and was for many years active in the management of the Pittsburgh Iron and Steel Works. He was also president of the H. C. Frick Coke Company, the largest producers of coke in the world, and is a director in many Pittsburgh institutions, and also of the Mercantile Trust Company of New York.

Mr. Thomas F. Goodrich was erroneously reported in the press at the time he was elected president of the Merchants and Manufacturers Warehousing Company to have resigned the vice-presidency of the National Surety Company. This error has crept into the current annuals and should be corrected. Mr. Goodrich, as is well known throughout the business, has continued in the last named position without interruption.

Insurance Commissioner Stephen W. Carr, of Maine, being a candidate for the nomination by his party for Governor of that State, the friends of F. H. Hazelton, of Portland, the Maine State manager for the Equitable Life, is being boomed by his friends for the prospective vacancy in the insurance department.

Auditor Hart, of Indiana, will read a paper on "The Reciprocal Relations of the State in the Supervision of Insurance" before the Fire Underwriters Association of the Northwest at the annual meeting in September.

Mr. C. W. Johnson, a prominent insurance agent at Neenah, Wis., died at an Oshkosh hospital from the effects of a surgical operation August 2. He was a native of the State of New York and forty-six years old.

Mr. M. M. Dawson, life insurance actuary, will read a paper before the Fire Underwriters Association of the Northwest at its annual meeting on "Scientific Fire Rating from an Actuary's Standpoint."

Mr. J. R. McCay, who is now in London and will return in September, will be appointed New York city agent of the Imperial insurance company, says the *Journal of Commerce.*

Hon. Isaac N. Fooks, who was insurance commissioner of Delaware from 1889 to 1893, died at Georgetown, Del., on Monday last, aged fifty-two years. He was a prominent Democratic politician.

Mr. Joseph K. Oakes, president of the Essex County Mutual Fire insurance company, of Bloomfield, N. J., died there on Thursday from pneumonia, aged eighty-nine years.

Mr. Joseph Bond, special agent of the Fidelity and Casualty Company in Kentucky, died at Louisville last Saturday, aged thirty-eight years.

Miscellany.

Death of Henry E. Bowers.

Henry Eckford Bowers, formerly resident United States manager of the North British and Mercantile insurance company, died from heart disease at the Farragut House, Rye Beach, N. H., on Monday night. He had been ill for several weeks, but serious complications did not set in until Sunday, and despite the efforts of specialists from Boston he failed rapidly. The funeral services were held on Thursday, at his residence in Brookline, Mass., and his remains were interred in Yantic Cemetery, at Norwich, Conn.

Mr. Bowers was a native of Bozrah, Conn., where he was born December 3, 1840. He was educated at the Norwich Free Academy, and after graduation taught school, and subsequently was a Government clerk at Washington. In 1863 he was assistant editor of the Norwich *Morning Bulletin,* and in 1864 became the accountant of the Norwich Fire insurance company. Two years later he was appointed its secretary. In 1868 he removed to New York to become a member of the firm of Skeels, Bowers & Boughton, general agents of the Firemans Fund and Union of California. In 1872 he accepted the position of special agent of the North British and Mercantile for New England. Later he formed a partnership with William B. Sears, in Boston, from which he withdrew in 1876 to become United States manager for the Guardian of London.

His connection with the Guardian, which was the most marked of his numerous connections with fire underwriting, lasted eighteen years, and ended only with its withdrawal from the United States in 1894. During these years Mr. Bowers was an active member of the New York Board of Fire Underwriters, serving on its different committees, and in 1892 he was president of the Suburban Tariff Association. On the retirement of the Guardian in 1894, Mr. Bowers was appointed to the United States management of the North British and Mercantile in succession to Mr. Sam. P. Blagden, who had resigned some weeks before. Mr. Bowers was manager until September, 1899, although he had requested the directors of the company to relieve him in the previous January. On his final retirement he was made one of the United States trustees, and was the recipient of a complimentary dinner in New York from his fellow underwriters. His health had been impaired some time before he gave up business. He was a member of a number of clubs, a Mason of high degree, and connected at the time of his death as director with a land improvement company and a mining company. A wife, to whom he was married in 1887, survives him, but he left no children.

The Right to Be an Actuary.

(*The Insurance World, August* 6.)

Editor H. H. Putnam, of the *Monthly Journal of Insurance Economics,* has now in a communication to THE WEEKLY UNDERWRITER, and in his own journal, distinctly stated that he does not individually recognize any persons in the United States as actuaries who are not members of the Actuarial Society. Previous to this we had supposed that whether one applied for membership or not was voluntary, and also that whether one or more of the large council opposed his admission was voluntary with them. It now appears that we must apply, and none can oppose if he be qualified. But it only requires two such votes out of a council of seventeen, if we mistake not, to reject; and, as was clearly stated when this rule was established, should one member be opposed it would probably not be difficult for

him to obtain a supporter. Quite a respectable contingent have remained outside of the society and have not incurred the possibility of rejection by going before the council. Among these is one, at least, who is a fellow of the Institue of Actuaries; and until recently there was another who was a fellow of the faculty and associate of the institute.

Mr. Putnam sets up for the society a claim which, when the rules as to admission were adopted, was distinctly disclaimed by the society itself through its then president, Emory McClintock. Surely such an assertion ought not to pass unchallenged so long as the society does not arrange its rules for admission that full qualification for practice will admit, and that a candidate will not be subject to rejection merely because one or two members of the council chance not to like him. The rules which are appropriate to a club would be out of place in a learned society which assumed, or permitted others to assume for it, that it was deciding as to men's qualifications to practice their profession.

In this connection it may be interesting to recall the fact that, for a long time, the great Institute of Actuaries of London, which is now recognized as requiring higher qualifications than any other actuarial society in the world, lay for a long time under condemnation by a number of the most distinguished actuaries, who formed the Actuaries' Club in London and refused to recognize as qualified actuaries all persons who were not entirely satisfactory to all the members of the club. After a time, when the Institute of Actuaries had by means of its examinations raised its standard of admission so high that there could no longer be any question, and when the young men whom it had admitted were becoming the first actuaries of their time, the stiff necked conservatives of the Actuaries' Club consented to disband and to become part and parcel of the once despised Institute of Actuaries. Because of political maneuverings on the inside, there was also a further split from the Institute, while it was still a comparatively weak body, and the Faculty of Actuaries of Scotland, also with some of the earmarks of a club, was organized by those who went out of the Institute.

After a number of years the two societies began to co-operate in a friendly manner, the success of the Institute being in no way impeded by the secession; and now there are rumors that the two will be combined again under the name and title of the Institute of Actuaries. In any event, the Faculty has found it wise to abandon its club form, and to admit the young men as members instead of requiring them to continue as members of a subsidiary society, viz., the Actuarial Society of Edinburgh, recently absorbed by the Faculty. Similar changes may be expected, and certainly are to be hoped for in the United States, where the reputation and standing of the Actuarial Society has been greatly enhanced by the adoption of the examination system, and are endangered only by the foolish assertions of such "friends" as Mr. Putnam and by the continuation of features of the club system.

Important Matters That Will Be Considered by the National Association of Local Life Insurance Agents.

The following, which appears in the St. Louis *Globe-Democrat*, may be assumed to have been inspired in part by President Markham, who has his place of business in St. Louis:

The committee on programme for the annual convention of the National Association of Local Fire Insurance Agents is arranging the programme for the annual convention at Put-in-Bay on September 9, 10 and 11. C. H. Woodworth, former president of the association, is chairman of the committee, and may be depended upon to have an interesting array of addresses on timely topics.

One important matter which will be brought before the association will be the report of the joint committee on uniform legislation for the States. It will be remembered that at the last convention in Milwaukee a committee was appointed, in accordance with resolutions adopted, to act in conjunction with a committee from the Insurance Commissioners' Association to select a plan by which a model code of insurance laws can be drafted and finally approved by the Insurance Commissioners' Association and the National Association of Local Agents, as well as by the national commission on uniform legislation, which is an adjunct of the American Bar Association. The theory is that all the unnecessary experimental legislation that is now being enacted or attempted in various States drives out capital and limits competition, thereby producing increased prices for insurance, and that if a code of the best laws on insurance could be compiled it would draw legislation of all States closer to that ideal if the code were certified to by such convincing authority as the commissioners, lawyers and local insurance agents, whose interests are with their communities.

The National Association of Local Fire Insurance Agents, after adopting such a resolution at Milwaukee, sent a delegation to swoop down upon the commissioners at their convention in Hartford, and the latter appointed a committee to act jointly with the local agents' committee. The work has progressed by correspondence and by conference, and a good report is expected from the joint committee at the Put-in-Bay convention. The committees have been working for several months, and the plan is steadily gaining favor. The committeemen are gathering information from the different States as to what insurance legislation works well, and the whole will be compiled in a report.

As to Missouri, the matter has been turned over by former Superintendent Orear to his successor, Thomas H. Wagner, who became Insurance Superintendent of Missouri on August 1, Mr. Orear considering it more courteous to leave such an important matter to the incoming superintendent than to take it up just as he was about to retire from office. The joint committee is made up of the following: Insurance commissioners' committee—Deputy Superintendent Appleton, of New York, chairman; Commissioners Carr, Maine; Cutting, Massachusetts; Hart, Indiana, and Scofield, Connecticut. National Association of Local Fire Insurance Agents—Emmett Rhodes, New York, chairman; Bird, of Maine; Blake, Massachusetts; Appel, Indiana, and Parker, Connecticut.

Another important matter to be considered at the national convention of local agents is a proposed amendment to the constitution, so that, without denying the rights of self-government to the State associations, there will be established a greater unity of interest and purpose between the national and State organizations. The executive committee is now said to have under consideration an amendment providing that no State association shall advocate the passage of any legislation until it has been approved by the committee on legislation of the national association. President George D. Markham first directed attention to the inability of the national association to control the actions of State associations in July, 1900, before his election as president, when he said: "We can test the relative position of the national and State organizations by asking what would become of the State associations if the national conventions were discontinued, and there were no national officials to stir up the movement in localities where enthusiasm is deficent or come with advice and assistance in times of danger." Some degree of control by the national over State associations is now generally recognized as essential for the general good, and the proposed amendment is fast gaining friends.

More Members of the Actuarial Society of America Who Approve of the Preliminary Term Valuation.

The following are extracts from letters written by Messrs. D. Parks Fackler, John S. Patterson and J. J. Brinkerhoff, on the method used by them in valuing the preliminary one year term policy:

Dear Sir—Yours of January 31st is at hand, and I have carefully examined the policy form inclosed. Substantially the same question came before me officially four years ago in making a valuation of a certain company for the New Jersey Department, and after carefully studying the subject I concluded that the contract provided for:

1st—One year term insurance, and

2d—Whole life insurance, optionally thereafter, and that as the premiums payable respectively under the first and second parts of the contract were respectively adequate for the liabilities imposed, the only contract actually in force the first year was that for one year term insurance; and that afterward, if the option of continuance was accepted, a whole life policy should be considered as put in force at an age one year older.

Thus I made the reserves for a $1,000 policy issued at the age of forty to be $4.98 the first year, $19.86 the next, $35.22 the next, $51.10 the next, and on, gradually approximating and at least equalling the reserve for an ordinary life policy issued at the age of forty (after twenty years the difference is about 2 per cent.).

On comparing the policy form you inclose with that of the company referred to, I find that the terms of your policy are

(*Continued on page* 68.)

SEMI-ANNUAL RETURNS OF FIRE INSURANCE COMPANIES.

Semi-annual statements have been made so far by the following fire insurance companies, most of them to the Indiana Insurance Department. Comparison has been made with the figures of January 1, taken from the New York Fire Insurance Report of 1901, except for the Western Underwriters, in which case the Illinois report was consulted, and for the Teutonia of Dayton, for which reference was made to the Michigan report. The calculation of gain or loss in surplus in the past six months has been made from these bases:

Companies.	1901.	Assets.	Liabilities.	Reserve.	Surplus.	Gain or Loss in Surplus.
Agricultural	Jan. 1	$2,283,558.42	$1,240,017.87	$1,085,576.86	$543,540.55	..... +$169,975
	June 30	2,336,682.00	1,265,924.00	1,123,167.00	713,515.00	
British America	Jan. 1	1,310,063.19	852,184.34	689,496.86	457,878.00	..... +13,014
	June 30	1,276,133.00	805,241.00	740,136.00	470,892.00	
Buffalo Commercial	Jan. 1	349,048.34	113,334.44	99,525.95	35,713.90	..... —8,721
	June 30	354,290.00	127,298.00	107,386.00	26,992.00	
Buffalo German	Jan. 1	2,020,731.92	381,357.97	342,542.95	1,447,373.95	..... —553
	June 30	2,054,721.00	407,941.00	361,564.00	1,446,780.00	
Caledonian	Jan. 1	1,910,617.66	1,101,382.62	919,157.28	809,235.00	..... —148,879
	June 30	1,947,858.00	1,286,802.00	955,084.00	661,056.00	
Citizens, Missouri	Jan. 1	456,229.29	123,661.39	88,881.88	132,567.90	..... —11,266
	June 30	444,695.00	123,394.00	101,040.00	121,301.00	
Concordia	Jan. 1	964,859.84	604,888.57	536,325.21	159,971.32	..... —10,045
	June 30	983,680.00	633,754.00	524,920.00	149,926.00	
Continental	Jan. 1	10,638,271.47	5,127,732.17	4,272,117.52	4,510,539.30	..... +143,320
	June 30	11,058,887.52	5,405,027.95	4,523,913.23	4,653,859 57	
County of Philadelphia	Jan. 1	931,784.99	394,048.62	366,909.44	137,736.37	..... +4,124
	June 30	949,303.00	407,443.00	381,292.00	141,860.00	
Detro t Fire and Marine	Jan.. 1	1,355,838.83	210,317.43	177,065.08	645,521.40	..... +61,126
	June 30	1,402,324.00	195.677.00	173,277.00	706,647.00	
Eagle Fire	Jan. 1	1,422,890.72	340,058.36	238,561.58	782,832.36	..... +92,424
	June 30	1,481.199.66	.....	.....	875,256.45	
Fire Association	Jan. 1	6,295,759.08	4,930,238.64	4,268.973.00	865,520.44	..... —136,792
	June 30	6,263,991.00	5,035,253.00	4,267,838.00	728,728.00	
German American	Jan. 1	8,676.281.34	3,408,569.64	2,742,697.52	4,267,711.70	..... +126,646
	June 30	8,977,710.04	3,583,349.16	2,950,422 97	4.394.360 88	
German of Freeport	Jan. 1	3,475,404.52	2,239,682.82	2,028,938.02	1,035,721.70	..... +198,108
	June 30	3,801,839.00	2,367,209.00	2,184,301.00	1,234.629.00	
Germania	Jan. 1	4.963,800.48	1,687,825.10	1,563,778.00	2,275,975.38	..... +78,379
	June 30	5,173,966.00	1,819,612.00	1,661,708.00	2,354,354.00	
Girard Fire and Marine	Jan 1	2,021,101.50	1,105,676.62	1,032,293.75	615,424.88	..... +2,377
	June 30	2,018,787.00	1,100,985.00	1,029,005.00	617.801.00	
Grand Rapids	Jan. 1	436,757.03	194,727.71	172,087.08	42,029.32	..... —6,422
	June 30	405,535.00	169,928.00	160,877.00	35,607.00	
Greenwich	Jan. 1	1,890,327.18	1,489,809.70	1,123,126.00	200,517.48	..... +5,823
	June 30	2,074,454.00	1,668,114.00	1,149,431.00	206,340.00	
Hanover Fire	Jan. 1	3,159,779.04	1,674,115.74	1,328,336.32	485,663.30	..... —2,104
	June 30	3,184,868.00	.....	1,324,898.00	483,559.00	
*Hartford Fire	Jan. 1	11,119,255.03	6,346,495.12	5,467,046.72	3,522,759.91	..... +25,420
	June 30	11,060,374.00	6,262,195.00	5,467,046.72	3,548,179.00	
Home, New York	Jan. 1	13,637,833.53	5,340,334 69	4,546,125.00	5,297,498.84	..... +304,316
	June 30	14,406,450.33	5,804,634.70	4,714,692.00	5,601,815.63	
Imperial	Jan 1	1,894.357.60	1,087,385.43	936,022.80	806.972 17	..... +43,194
	June 30	1,891,440.00	1,041,274.00	930,512.00	850.166.00	
Indemnity	Jan. 1	379,651.65	109,871.34	84,557.62	69,780.31	..... —42,582
	June 30	356,605.00	129,407.00	39,922.00	27,198.00	
Lafayette	Jan. 1	394,974.43	166,843.87	135,193.27	28,130.56	..... —7,658
	June 30	437,182.00	216,706.00	171,029.00	20,472.00	
Liverpool and London and Globe	Jan. 1	9,804,902.52	5,100,174.15	4,088,896.11	4,704.728.00	..... —182,616
	June 30	9,679,575.00	5,157,463.00	3,857 965.00	4,522,112.00	
Milwaukee Fire	Jan. 1	433,398.56	133.547.30	109,992 21	99,851.26	..... —16,071
	June 30	440,714.00	156,934.00	130,333.00	83,780.00	
Milwaukee Mechanics	Jan. 1	2,519,913.90	964,561.62	821,032.72	1,355,352.28	..... —54,178
	June 30	2,525,659.00	1,024,485.00	889,455.00	1,301,174.00	
Newark, N. J	Jan. 1	690,247.37	130,722.72	109,589 41	309,524.62	..... —23,249
	June 30	685,861.00	149,586.00	113,522.00	286,275.00	
Niagara Fire	Jan 1	2,899,390.06	1,587,554.85	1,354,147.26	811,835.21	..... +91,062
	June 30	3,081,156.00	1,678,259.00	1,417,204.00	902.897.00	
Pelican	Jan. 1	387,315.06	104,054.06	73,786.75	83,261.00	..... +3,477
	June 30	410,498.00	123,760.00	86,224.00	86,738.00	
Phenix, Brooklyn	Jan. 1	5,994,704.88	3,460,925.24	3,039,403.97	1,533,779.64	..... +176,270
	June 30	6,217,792.00	3,507,743.00	3,192,005.00	1,710,049.00	
Queen	Jan. 1	4,751,381.76	1,902,177.90	1,577,485.57	2,349,203.86	..... —136,492
	June 30	4,894,115.00	2,081,404.00	1,702,014.00	2,212,711.00	
Rochester-German	Jan. 1	1,205,710.42	433,789.47	379,193.52	571,920.95	..... —83,845
	June 30	1,218,561.00	530,485.00	434,219.00	488,076.00	
St. Paul Fire and Marine	Jan. 1	2,606,392.12	1,412,582.34	1,205,275.81	693,809.78	..... +69,936
	June 30	2,855,012.00	1,591,267.00	1,280,154.00	763,745.00	
Springfield Fire and Marine	Jan. 1	5,159,623.47	1,841,382.46	1,569,772.79	1,818,241.01	..... —155,806
	June 30	5,119,169.00	1,956,724.00	1,646,379.00	1,662,435.00	
Sun Insurance Office	Jan. 1	2,595,074.73	1,614,553.82	1,347,856.63	980,520.91	..... —12,955
	June 30	2,641,245.00	1,673,680.00	1,456,177.00	967,565.00	
Teutonia Fire and Marine, Dayton, Ohio	Jan. 1	565,344.92	79,768.22	79,768.22	385,576.70	..... +10,842
	June 30	572,601.00	76,183.00	75,317.00	396,418.00	
Westchester Fire	Jan 1	3,005,015.30	1,485,756.94	1,290,360.44	1,219,258.36	..... - 44,276
	June 30	3,086,458.00	1,611,479.00	1,349,570.00	1,174,979.00	
Western Assurance	Jan. 1	2,016,370.79	1,377,940,21	1,150,782.93	638,430.58	..... +65,541
	June 30	2,168,687.00	1,464,716.00	1,223,162.00	703,971.00	
Western Underwriters Association	Jan. 1	487,103.47	244,649.66	229,831.03	42,453.81	..... —11,324
	June 30	498,008.00	266,879.00	234,215.00	31,129.00	

*The reinsurance reserve reported by this company to the Indiana State Auditor is the same for both dates, it having availed itself of the ruling of that official, that the computation of reinsurance reserve for the June semi-annual statements is not obligatory on companies.

Aggregate Fire Insurance Business in 1901 of British Companies Which Operate in the United States, Compiled from Home Office Statements.

Companies.	Premiums, 1899.	Premiums, 1900.	Losses	Expenses and Commission.	Percentage of Losses to Premiums.	Percentage of Expenses to Premiums.	Percentage of Losses and Expenses to Premiums.
Alliance	£537,285	£550,801	£296,955	£192,305	54.0	34.8	88.8
Atlas	416,029	435,355	259,345	149,216	59.5	34.2	93.7
Caledonian	379,736	399,326	258,835	143,634	64.8	35.9	100.7
Commerc'l Union	1,149,694	1,412,032	711,749	449,970	50.4	31.8	82.2
Imperial	664,246	736,688	451,462	258,173	61.2	35.0	96.2
Lancashire	674,542	705,794	490,557	258,220	69.5	39.4	103.3
Law Un'n & Cr'n	159.778	188,799	103,550	64,930	54.8	34.3	89.1
Lion	223,243	249,778	174,044	88,427	69.6	35.4	105.0
Liv. & Lon.& Glo.	1,509 038	1,597 821	970,440	552,075	67.0	34.5	95.2
Lon. & Lan. Fire.	841,208	955,706	483,414	334,763	50.6	35.0	85.6
Lon. Assur. Corp	385,025	408,082	251,057	145,634	61.5	35.7	97.2
Manchester	927,241	1,055,142	641,358	373,208	60.8	35.3	96.1
N'tion'l of Irel'd.	377,992	405,185	333,000	139,376	82.2	34.4	116.6
N. British & Mer.	1,446,521	1,546.853	972,212	524,312	59.6	33.9	93.5
Northern	709,190	752,310	417,189	259,076	55.5	34.4	89.9
Norwich Un'n F.	961,559	1,004,692	637,837	350,073	63.5	34.8	98.3
Phœnix	1,187,605	1,268,974	818,073	394,977	64.4	31.1	95.5
Royal	2,026,553	2,078,299	1,240,062	713,388	59.6	34.3	93.9
Royal Exchange.	433,109	478,098	271,933	157,092	56.8	32.8	89.6
Scottish U. & Nat.	541,992	573,272	386,749	191,654	67.4	33.4	100.8
State	79,572	98,071	51,807	36,629	52.8	37.3	90.1
Sun	1,027,637	1,070,556	630,385	372,213	58.9	34.7	93.6
Union	626,452	686,997	508,132	225,268	73.9	32.8	106.7

The above (except the figures of four companies, the Imperial, Lancashire, Law Union and Royal Exchange) has been compiled from a table of returns published by the *Review* of London.

(*Continued from page 66.*)

such as to require the above mode of valuation, if possible, more positively than did the other company's policy.

Very truly yours, D. P. Fackler.

Your favor * * in which you ask to be advised as to the method employed by this department in valuing policy contract, a copy of which you inclose, has been received.

This specimen policy has been made out for an insurance of $10,000 upon a life aged forty years, and bears the date of December 13, 1900. This form of policy is what is known to us as "Term and Life," and in the year of its issue is valued as one year term insurance; thereafter it is valued as whole life insurance, the date of issue and the age of the insured being each advanced one year.

In order that there may be no misunderstanding as to the reserves which this department would charge against your company on account of a policy identical in its terms with the specimen above referred to, I give you below the combined experience 4 per cent. mean reserves as of December 31, 1900; December 31, 1901, and December 31, 1902; they are, respectively, $50, $199 and $352.

These values taken from our published table 25 ("Term and —") can be verified by our table 1 ("Terms") and table "o" ("Life").

I hope that the foregoing may be found sufficiently clear and comprehensive; if, however, there should be desired further information in the matter, I should be pleased to give the same if within my power.

Yours truly, John S. Paterson, Actuary.

Specimen policies of the character objected to by the Massachusetts Insurance Department were submitted to Mr. Brinkerhoff, actuary of the Illinois Insurance Department. He wrote as follows:

I have before me your specimen policy, age thirty, for $2,000, with request that I advise you as to the method employed by this department in the valuation of contracts of this character. This policy submitted is, by the provisions of the contracts embraced therein, a one year term policy for the first year, and for the second and subsequent years a continuous level premium life policy contract—two separate contracts in one policy.

Policies of this character are valued by this department according to the provisions of the respective contracts embraced therein:

That is, the first year a policy such as this is valued as one year term insurance for the age at entry—in this case age thirty. The second year it is valued as a continuous level premium life policy in its *first year,* and as entering at age one year older, in this case age thirty-one; the third year as a continuous payment level premium life policy in its *second year,* and as entering at age one year older, in this case at thirty-one, and similarly thereafter.

In amounts the reserves on above described policies, actuaries' 4 per cent., would be as follows: First year mean reserve, $8; second year mean reserve, $27; third year mean reserve, $47.

Very respectfully, J. J. Brinkerhoff, Actuary.

The following is an extract from a communication in the *Insurance Press* of December 28, 1898, by Mr. William T. Standen, actuary of the United States Life insurance company:

Such a radical adaptation of the premium of the first year as would enable it to meet its own expenses would result in a derangement of business methods and conditions that would be exceedingly burdensome, and it would be vastly preferable to seek in the flexibility of the net premium valuation system some adequate measure of relief. I conceive that this relief can only be found (as so very many eminent authorities have pointed out) by regarding the present large cost of securing business as a settled, indisputable and unavoidable fact; and imposing a first year's reserve in accordance with facts, and not in accordance with merely partial and incomplete theories; in other words, the reserve to be imposed upon a company at the end of the first year of the issue of a policy should be consistent with all the facts which go to make up that contract and its procurement; and the law should not stultify itself by requiring a company to hold a reserve which the premium itself cannot by any possibility yield under present existing conditions.

Sun Ins. Office of London, England.

J. J. GUILE, U. S. Manager.

Office: 54 PINE STREET, NEW YORK.

Lion Fire Insurance Company,

84 QUEEN ST., CHEAPSIDE,

LONDON, ... ENGLAND.

United States Branch: Hartford, Conn.

Incorporated 1865

GERMAN INSURANCE CO.

OF FREEPORT, ILL.

The Largest and Most Successful Fire Insurance Company in the West.

Assets, January 1, 1901,	$3,656,401.59
Cash Capital,	200,000.00
Liabilities, including reinsurance,	2,181.179.89
Net Surplus,	1,275,221.70

C. O. COLLMAN, Pres. HENRY BAIER, Vice-Pres. D. B. SCHULTE, Treas.
WM. TREMBOB, Sec. F. M. GUND, Ass't Sec.

HANOVER

Agencies in all the Principal Places in the United States.

Fire Insurance Company OF NEW YORK.

Personal Accident. Plate Glass Insurance.

ATTENTION, AGENTS and BROKERS!

The Central of Pittsburg, Pa.,

is the best company for the Customer, the Broker or the Agent. In the above lines of insurance it sells the Best Policies. Call on or address

Central Accident Insurance Company, Pittsburg, Pa.

The Union Insurance Company

OF PHILADELPHIA.

CAPITAL, - - - $200,000

STATEMENT, JANUARY 1, 1901.

Bonds, Bank and other Stocks, Market Value,	$279,180
First Mortgages on City Property and Demand Loans,	9,900
Real Estate, unincumbered, owned by the Company,	160,080
Premiums in course of collection, Interest due Company and Cash in Banks and Office,	96,032
Total Assets,	$545,120

LIABILITIES.

Reserve for Reinsurance and other Liabilities,	$239,933
Reserve for Losses under Adjustment,	33,915
Other Liabilities,	15,735
Surplus to Policy-holders,	255,537
	$545,120

Losses paid since organization, $17,874,556.

CHAS. S. HOLLINGSHEAD, President.

E. R. DANNELS, Secretary. M. JOS. NOWLAN, Assistant Secretary.

Phœnix Mutual Life Insurance Co.

OF HARTFORD, CONN.

ORGANIZED IN 1851.

Assets, January 1, 1901	$13,278,711.73
Surplus at Four per cent	564,656.73

Total Paid Policy-holders over

—$42,500,000—

ACTIVE AND INTELLIGENT MEN WANTED AS AGENTS, with whom liberal contracts will be made. Desirable territory now open.

The new plans of the Company are brief, clear and liberal. Life and Endowment Policies have endorsed upon them definite cash, loan, and paid-up values, and in case of lapse, insurance is extended without action on the part of the insured.

J. B. BUNCE, President. J. M. HOLCOMBE, Vice-President.

C. H. LAWRENCE, Secretary.

NEW YORK OFFICE: WEED & KENNEDY, Managers, 149 Broadway.

. . . The . . .

Mutual Life Insurance Company of New York

RICHARD A. McCURDY, President,

Did more business in 1900 than during any previous year.

Income in 1900, - - - $60,582,802.31

Assets December 31, 1900, $325,753,152.51

Insurance and Annuities, $1,141,497,888.02

The history of the Company has been an unbroken record of progress. Its excess of returns to policy-holders has been almost **six** times as much as that of the next largest company and nearly **ten** times as much as that of the third in rank.

Total of Assets and policy payments, $866,232,963

Total premiums received, - - - - $779,134,420

Excess of Assets and payments to policy-holders over total premiums received since formation of Company, **$87,098,543**

It has room for workers who are not rebaters. Address

GEORGE T. DEXTER,

Superintendent of Domestic Agencies,

HEAD OFFICE, NEW YORK.

ÆTNA

LIFE INSURANCE CO.

MORGAN G. BULKELEY, PRESIDENT

Largest Company in the World doing Life, Accident and Health business

ASSETS, OVER . . . $56,000,000.

MOWRY and PATTERSON, Managers Life Department.

GEORGE C. STERLING, Manager Accident Department.

Continental Building, 46 Cedar Street, NEW YORK CITY.

North British & Mercantile

INSURANCE COMPANY,

OF LONDON AND EDINBURGH.

Established 1809.

OFFICE:

76 WILLIAM STREET,

NEW YORK CITY.

COMMERCIAL UNION ASSURANCE CO.

LIMITED,

OF LONDON.

OFFICE:

Cor. Pine & William Sts., New York.

Western Assurance Company.

HEAD OFFICE: TORONTO, CANADA.

INCORPORATED 1851.

Hon. GEO. A. COX, President.

J. J. KENNY, V. P., and Managing Director.

UNITED STATES STATEMENT, JANUARY, 1901.

Assets	$2,016,370.78
Surplus in United States	638,430.59

Procure
Protect
Provide

ROBERT E. PATTISON, Pres.
THOMAS BRADLEY, 1st Vice-Pres.
GEO. B. LUPER, 2d Vice-Pres. & Gen'l Mgr.

The Security Trust and Life Insurance Co.

Principal Office, - - Broadway and 26th St., N. Y.

CAPITAL (full paid) **- $500,000.00**

Assets, $1,478,133.51. Assets to Liabilities, 165 Per Cent.

AGENTS

Should write the Company for prospectus, rates, etc., for its new and unique

Combination Life, Endowment, Accident, Health and Annuity Policy

A policy embracing all features and benefits indicated by its name.

Issued only by this Company.

SECURE TERRITORY GOOD CONTRACTS

Provident Savings Life Assurance Society

OF NEW YORK.

EDWARD W. SCOTT, PRESIDENT.

THE BEST COMPANY FOR POLICY HOLDERS AND AGENTS.

SUCCESSFUL AGENTS, AND GENTLEMEN SEEKING REMUNERATIVE BUSINESS CONNECTIONS, MAY APPLY TO THE HEAD OFFICE, OR ANY OF THE SOCIETY'S GENERAL AGENTS.

The Agricultural Insurance Company of Watertown, N. Y.

ESTABLISHED 1853.

Assets, January 1, 1901 ..... $2,283,558.42
Total Liabilities, except Capital $1,240,017.87
Joint Stock Capital 500,000.00

THERE ARE FEATURES IN THE FIFTY-THIRD ANNUAL REPORT OF

The Penn Mutual Life Insurance Company

Of interest to all engaged in life insurance work.
A copy on request.

THE PENN MUTUAL LIFE INSURANCE COMPANY,
921-925 CHESTNUT STREET, - PHILADELPHIA.

THE Fidelity and Casualty Company,

97-103 CEDAR STREET, NEW YORK CITY.

Assets, $4,435,558.87. Surplus, $1,107,870.54.
Losses Paid to June 30, 1901, $13,478,114.16.

CASUALTY INSURANCE SPECIALTIES:

Bonds of Suretyship for persons in positions of trust, Personal Accident, Plate Glass, Boiler, Elevator, Employers' and Landlords' Liability.

OFFICERS:

GEORGE F. SEWARD, President.
ROBERT J. HILLAS, Secretary and Treasurer.
HENRY CROSSLEY, Assistant Secretary.

ESTABLISHED IN 1822.

THE NATIONAL ASSURANCE COMPANY OF IRELAND.

GEORGE E. KENDALL,
United States Manager,
HARTFORD, CONN.

Chartered 1866. 33 Years Successful Business.

The Hartford Life Insurance Co.,

HARTFORD, CONN.

Every desirable form of up-to-date contract is issued by this old and sterling company.
All rates and values guaranteed in the contract.
$18,500,000 Paid in Benefits.
Ratio of Assets to Liabilities, $142 to $100.
GEO. E. KEENEY, President CHAS. H. BACALL, Secretary.

SAFETY FUND INSURANCE.

NIAGARA

Fire Insurance Company OF NEW YORK.

OFFICE:
135 & 137 BROADWAY.

The Manhattan Life

OF NEW YORK

want the best men obtainable for several pieces of excellent territory—and are willing to make mighty interesting propositions to good men.

ADDRESS
W. B. Lane, Superintendent of Agencies
66 BROADWAY, N. Y. CITY

Every conceivable form of Life Policies

Scottish Union & National Ins. Co.

ESTABLISHED 1824.

No. 35 St. Andrew Square, Edinburgh, Scotland.
No. 3 King William Street, E. C., London.

United States Branch: Hartford, Conn.

Northern Assurance Company,

OF LONDON, ENGLAND.

EASTERN AND SOUTHERN DEPARTMENTS,

38 PINE STREET, NEW YORK.

GEORGE W. BABB, Jr., Manager. T. A. RALSTON, Sub-Manager.

Connecticut General Life Ins. Co.,

HARTFORD, CONN.

Assets, January 1, 1901	$3,765,824.33
Liabilities	3,416 031.86
Surplus to Policy-holders	$349,792.67

This Company offers a Policy having liberal provisions for Cash Values, Paid-Up Insurance, Residence and Travel, with Ample Security. Active and Experienced Agents Wanted.

R. W. HUNTINGTON, Jr., President. E. B. PECK, Assistant Secretary
F. V. HUDSON, Secretary. JAMES A. TURNBULL, Actuary.

The Union Central Life Ins. Co.,

CINCINNATI, OHIO.

Assets, January 1, 1901,	$26,440,297.28
Surplus,	3,693,343.46

No Fluctuating Securities. Largest Rate of Interest. Lowest Death Rate.
Endowments at Life Rates and Twenty Payment Guaranty Policies Specialties.
Large and increasing Dividends to Policy-holders. DESIRABLE CONTRACTS and GOOD TERRITORY open for LIVE Agents.
Address JOHN M. PATTISON, President.

"The Leading Fire Insurance Company of America."

Incorporated 1819. **Charter Perpetual.**

Cash Capital,	$4,000,000.00
Cash Assets,	13,357,293.72
Total Liabilities,	4,047,342.69
Net Surplus,	5,309,951.03
Surplus as to Policy-holders,	9,309,951.03
Losses Paid in 82 Years,	88,243,132.93

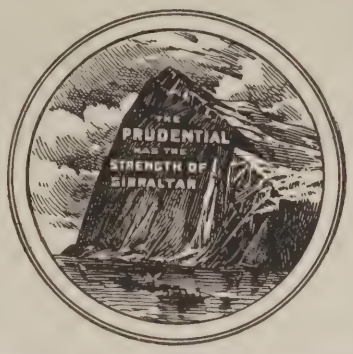
WM. B. CLARK, President.
E. O. WEEKS, Vice-President.
W. H. KING, Secretary.
A. C. ADAMS, HENRY E. REES,
Assistant Secretaries.

WESTERN BRANCH, 413 Vine Street, Cincinnati, O.
KEELER & GALLAGHER, General Agents.

NORTHWESTERN BRANCH, Omaha, Neb.
WM. H. WYMAN, Gen. Agent. W. P. HARFORD, Ass't Gen. Agent.

PACIFIC BRANCH, San Francisco, Cal.
BOARDMAN & SPENCER, General Agents.

ISLAND MARINE DEPARTMENT,
CHICAGO, 145 La Salle St. NEW YORK, 52 William St.
BOSTON, 95 Kilby St. PHILADELPHIA, 229 Walnut St.



ORDINARY
and
INDUSTRIAL
PROFIT SHARING
POLICIES.

EXCEPTIONAL ADVANTAGES TO

..... Active Agents.

WRITE TO

THE PRUDENTIAL INSURANCE CO. OF AMERICA

JOHN F. DRYDEN, President. Home Office: NEWARK, N. J.

The Preferred Accident Insurance Co.

OF NEW YORK.

Accident Policies. Health Policies.

Large Benefits, Low Rates, Best Commissions.

December 31, 1899:

Assets,	**$779,385.45**
Surplus,	**365,124.30**

KIMBALL C. ATWOOD, Sec'y, 290 Broadway, NEW YORK.

Caledonian Ins. Co.,

FOUNDED 1805. of Scotland.

"The Oldest Scottish Insurance Office."

United States Head Office, 27-29 Pine Street, New York City.

STATEMENT JANUARY 1, 1901.

Assets	$1,910,617.66
Liabilities	1,101,382.62
Net Surplus in the United States	$809,235.04

CHARLES H. POST, U. S. Mgr. N. A. McNEIL, Ass't U. S. Mgr.

The Mutual Benefit Life Insurance Co.

NEWARK, N. J.

AMZI DODD, - - PRESIDENT.

ASSETS (Market Values) Jan. 1, 1901	$74,311,468.25
LIABILITIES, N. J. and N. Y. Standard	68,186,103.34
SURPLUS	6,125,364.91

MUTUAL BENEFIT POLICIES

—CONTAIN—

Special and Peculiar Advantages

WHICH ARE NOT COMBINED IN THE

POLICIES OF ANY OTHER COMPANY.

1846—1901.

THE CONNECTICUT MUTUAL LIFE

Insurance Company.

WHERE THE CONNECTICUT MUTUAL STANDS.

During all the long struggle out of which this situation has developed, and amid the many schemes devised to attract public attention and favor to something else than life insurance, the attitude and position of the Connecticut Mutual have never been doubtful.

It has held to the cardinal facts: Life insurance is for the protection of those dependent on a man's life; their dependence makes it his unavoidable duty. Those dependents we assume to protect by our contract, at his personal cost; our duty to them is to make that protection as large, as secure, and as certainly available to them as possible; our duty to him is to make its cost to him as small as possible.

JACOB L. GREENE, President. **HERBERT H. WHITE, Secretary.**
JOHN M. TAYLOR, Vice-President. **DANIEL H. WELLS, Actuary.**

The Metropolitan Life Insurance Co.

(INCORPORATED BY THE STATE OF NEW YORK.)

"The Leading Industrial Insurance Company of America,"

IS REPRESENTED IN ALL THE PRINCIPAL CITIES OF THE UNITED STATES AND IN CANADA. THE PAYMENT OF OVER 250 DEATH CLAIMS DAILY TELLS OF THE GOOD IT DOES. INSURANCE IN FORCE OF OVER $900,000,000 ATTESTS ITS GREATNESS AND FAVOR WITH THE PUBLIC.

Permanent, Profitable and Progressive Employment.

AGENTS WANTED—Any honest, capable, industrious man, who is willing to begin at the bottom and acquire a complete knowledge of the details of the business by diligent study and practical experience can, by demonstrating his capacity, establish his claim to the highest position in the field. It is within his certain reach. The opportunities for merited advancement are unlimited. All needed explanations will be furnished upon application to the company's superintendents in any of the principal cities, or to the Home Office, No. 1 Madison Avenue, New York City.

JOHN R. HEGEMAN, President.

HALEY FISKE, Vice-President. GEORGE H. GASTON, Second Vice-President. GEORGE B. WOODWARD, Secretary. J. J. THOMPSON, Cashier and Assistant Secretary. JAMES M. CRAIG, Actuary. JAMES S. ROBERTS, Assistant Secretary. STEWART L. WOODFORD, Counsel. THOS. H. WILLARD, Medical Director. A. S. KNIGHT, Assistant Medical Director.

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.

FOUNDED 1792.

Assets, January 1, 1901		$9,583,791
LIABILITIES—Reserved for Reinsurance and all other claims	$4,805,254	
Capital Stock	3,000,000	
Surplus over all Liabilities	1,778,537	$9,583,791

Agents in all the principal towns and cities.

CHARLES PLATT, President. EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. BENJAMIN RUSH, Second Vice-President.
T. HOUARD WRIGHT, Marine Secretary. JOHN B. ATWOOD, Assistant Secretary.

Offices in New York: Fire, William and Pine Sts.; Marine, 63 Wall St.

1825. THE 1901.

Pennsylvania Fire Insurance Co.

OF PHILADELPHIA.

Cash Capital	$400,000.00
Re-insurance and all Liabilities	2,771,038.56
Surplus	2,163,883.97
Total January 1, 1901	$5,334,922.53

R. DALE BENSON, Prest. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Prest. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

The Largest Fire Insurance Company in Germany.

MAGDEBURG—FIRE INSURANCE CO.

OF MAGDEBURG, GERMANY.

ESTABLISHED 1844.

United States Branch, Magdeburg Building, 17 William Street, New York.

PAUL E. RASOR, Manager. AD. DOHMEYER, Ass't Manager.

The Massachusetts Mutual Life Insurance Company,

INCORPORATED 1851.

SPRINGFIELD, MASS.

ASSETS—January 1, 1901	$26.245,622.04
LIABILITIES	23,920,986.53
SURPLUS	2,324,635.51

Definite Paid-up and Cash Surrender Values written in every Policy.

JOHN A. HALL, President. HENRY M. PHILLIPS, Secretary.

New York Office: Empire Building, 71 Broadway.

GEORGE J. WIGHT, Manager.

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

VOL. LXV. SATURDAY, AUGUST 17, 1901. No. 7.

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Checks and money orders should be made payable to the order of THE WEEKLY UNDERWRITER.

AMONG the wonders of creation are the assets of a fire insurance wild cat, and such certainly are those described in our news columns as composing a Georgia specimen prowling in this State of New York. Superintendent Hendricks has been obliged to ask the Georgia Insurance Commissioner about the standing of the Southern Fire insurance company of Atlanta and to receive the answer that as to its right to transact business it has none in its own State. The statement of its assets, which its managers have had the effrontery to file with the Georgia department in applying for a license, contains such items as: "Mortgage on chicken farm, Stark County, Ind., $7,500"; "mortgage on livery stable, Hyde, Col., $5,000"; "mortgage on irrigation plant, Hitchcock County, Neb., $7,500"; "mortgage on hotel property, Ellensburg, Wash., $10,000." An examination of the remainder of the list of valuables will disclose that they are like these, including one wholesale sweep of fifty thousand acres of land in Clay County, Ky., listed at $50,000. Possibly in West Virginia this remarkable collection of odds and ends would pass, but be it to the credit of Commissioner Wright that, notwithstanding over good-natured laws toward domestic corporations, his face is as flint against the Southern Fire of Atlanta. As the promoters of the company claim that it is legally constituted, and announce that they will seek to mandamus the commissioner in the courts for official recognition, this curious episode in wild cat underwriting will be watched with interest.

Though taking thousands of dollars a month out of the city in premiums and not losing 10 per cent. of it in "losses," the insurance trust, through the underwriters, dictates our internal policy, forces the taxpayers to sustain an expensive fire department and while sharing most in the advantage this brings does not contribute one cent toward its maintenance.—*Scranton, Pa., Scrantonian.*

THE above, from a column of abuse of the fire insurance companies for giving the city the alternative of more fire engines or increased insurance rates, voices two of the most common misconceptions prevailing of the function of insurance. One of these is that because a locality or a property owner has paid premiums for a period during which there has been no loss or only a small one there has been so much gain to the insurer. No thought is given to the other locality or property owner to whom the insurer has had to pay a hundred times the amount of premium received. If rates were to be kept down in a locality to the equivalent of the current small loss there would be no funds to meet the great loss when it comes, as it always does in the course of time. The essence of fire insurance is the nearly even distribution of the burden over the whole area. The other common fallacy is that insurance companies should pay for the support of fire departments. There is no reason why they should be taxed for this purpose that does not apply to the banking business and the police force, or to the dry goods trade and the public schools. We organize fire departments as we do police departments, for the protection of lives and property. To single out a special class of business and tax it for the support of either is not equal taxation, and equality of taxation ought to be the birthright of every citizen. If the consumer eventually pays the tax, an injustice in this case is visited upon the property owner who is insured, for he pays thus for the protection of the property of the man who is not insured and is not reached by the fire department tax.

IT is evident from the hedging of such of our esteemed contemporaries as were beguiled into the movement, that the campaign against the re-election of Mr. Markham as president of the National Association of Local Fire Insurance Agents has broken down, and will have resolved itself into a reminiscence when the convention meets. It was made to appear at first that there was a spontaneous uprising against the president inside the association, but there is no indication that there is any dissatisfaction whatever there, or that any other candidate has been thought of. Certainly none has been suggested. The fact is the opposition to Mr. Markham has existed wholly on the outside and is centred in the lively Mr. Hubble, the Western manager of the Greenwich, who seems to have originated and nursed the boom and to be the sole mourner over its collapse. That there has been any deep-seated antagonism toward Mr. Markham among the other Western managers at any time we do not believe. The plan he conceived as best for securing the overthrow of the inimical laws of Missouri may not have met their entire approval. It did involve the appearance of a closer co-operation with the public in rate making than with the companies. But, as we urged at the time, they should have been satisfied to leave their interests in the care of the men who best knew the field and the people to be dealt with, confident that nothing essential to the safety of the companies would be given up. The interests of companies and agents are so nearly one that apprehension should never have existed among the managers that they might be betrayed by the agents. For, after all, the companies had the final say as to rates, and there could be no betrayal. The strategy of the Missouri local agents in the Legislature did not succeed, but the fault was not theirs, for we think it has been definitely shown that had their movement not been fired upon from the rear by such as Mr. Hubble the antagonism of a majority of the legislators toward it and of pub-

lic officials and influential business men who were helping, would not have been excited. It did make substantial headway, and from the ground captured there will be a more successful advance next session. The entire opposition to Mr. Markham's continuance as president of the association has arisen from this one incident, and the only substantial backing this opposition has had has been from Mr. Hubble. The Western news gatherers are saying now that he admits defeat, but is irreconcilable, and predicts that "the organization will practically stand still for a year" as the result of the president's reelection. Instead of taking this dyspeptic view of the situation let Mr. Hubble devote his undoubted talents to the cultivation of co-operation between the managers and the association. He can do not a little toward keeping things moving even under Mr. Markham's administration.

Facts and Opinions.

THE Insurance Superintendent of New York has inquired of the Insurance Commissioner of Georgia as to the standing in the latter State of the Georgia Industrial insurance company and the Southern Fire insurance company of Atlanta, both of which are soliciting business in New York without authority from its Insurance Department. Commissioner Wright has replied that neither concern has complied with the insurance laws of Georgia or is licensed to do business therein. It appears, however, that the people interested in the Southern Fire have been clamoring for recognition from the Georgia Department, and have threatened to hale it into the courts if it persists in refusing to issue a license. The commissioner holds that with such an extraordinary statement of assets as the Southern Fire offers he would not be justified in giving it authority to do business. The following is the list of securities going to make up its capital stock:

Mortgage on chicken farm, Stark County, Ind., $7,500; mortgages cement works, Ithaca County, Mich., two at $7,500, $15,000; mortgage copper mine, Menominee County, Mich., $10,000; mortgage office building, Rockford, Ill., $10,000; mortgage hotel property, Arkansas City, Ark., $25,000; mortgage factory property, Cedar Rapids, Ia., $5,000; mortgage hotel property, Hartwich, Ia., $5,000; mortgage hotel property, Ellensburg, Wash., $10,000; mortgage livery stable, Hyde, Col., $5,000; mortgage hotel property Yuma, Col., $5,000; mortgage canning factory, Linden, Kan., $2,500; mortgage factory property, LaCrosse, Kan., $7,500; mortgage livery property, barn and track, Hutchinson, Kan., $5,000; mortgage store property, Hutchinson, Kan., $7,500; mortgage canning factory, Wichita, Kan., $15,000; mortgage store building, Fairmont, Neb., $5,000; mortgage irrigation plant and farm, Hitchcock County, Neb., $7,500; mortgage office building, Lincoln, Neb., $15,000; mortgage dwelling, Omaha, Neb., $10,000; mortgage subdivision building lots, Omaha, Neb., $5,000; mortgage subdivision building lots, Omaha, Neb., $10,000; mortgage store building, Waco, Neb., $7,500; mortgage plow works, Tippen, Ind., $10,000; mortgage 1,920 acres of land, Monroe County, Mich., $19,200; mortgage 6,000 acres of land, South Missouri, $90,000; mortgage 1,020 acres of land, Price County, Wis., $5,000; mortgage 50,000 acres of land, Clay County, Ky., $50,000; other securities, not listed, $50,000.

The Southern Fire advertises that it was started in 1871. The Atlanta *Constitution* says that its real name is the Mutual Fire Assurance Company; that it applied to the Secretary of State in 1897 for an amendment to its charter changing its name to the Southern Fire of Atlanta; that the law requires the payment of a fee of $25 for such application; that the company gave a check for the amount, which quickly proved to be worthless, and that therefore there has been no legal change of name and the concern is still the Mutual Fire Assurance Company, in fact.

THE secretary of the National Association of Local Fire Insurance Agents, Mr. Holmes, makes the following statement regarding the matters that will come before the association at the annual meeting to be held at Put-in-Bay, Ohio, September 9, 10 and 11:

This convention being national will discuss and probably vote on the proposition of assuming control of all matters of legislation that are national in their influence on local agents, and to make the same effective will probably urge the State associations to cede to the national association the privilege of vetoing such legislative efforts as may seem unwise. The Utah proposition for an advanced stand on the subject of bulletining companies that accept business at a cut rate will provoke warm debate. A number of the States have secured their best speakers to respond to the roll call of States. The delegates south of the Ohio River are strenuous and decided in their views on the brokerage question and are ready to demand relief. The brightest local agents of the United States are coming to this convention, their numbers, their conservatism, their good sense and the national character of the delegates will so shape the actions of this convention as to interest local agents, company managers, stockholders and the general public everywhere.

It is also stated that accommodations can be furnished for over a thousand guests at the Hotel Victory, in which the convention will meet. The following persons will respond for their respective States at the convention, and the representatives of other States will be announced later: Illinois, Clarence S. Pellet; Kentucky, John J. Barrett; Mississippi, Phil A. Rush; New York, Emmett Rhodes; Ohio, A. P. Ross; Arkansas, W. P. Weld; Washington, A. D. Jones; Wisconsin, J. N. Manson; Michigan, Fred Guenther.

THE Preferred Accident insurance company of New York, as is well known, has invaded Great Britain for business, and has organized a large corps of agents under the energetic direction of Manager Lee-Smith. The accident field in the United Kingdom has been but meagerly cultivated by British companies, according to the *Perambulator*, which gives as one of the reasons the poor compensation they allow to canvassers for business. It says:

It will be a surprise to every American personal accident canvasser when I state that there is no English company that pays its agents one-half as much renewal commission as paid to same class of workers in the United States. It is true that on first premiums some of the London offices are allowing very fair commissions, but they evidently believe that after the business is once on the company's books that it can be easily renewed, and, therefore, only small renewal commissions are necessary. In view of this state of affairs, it is not surprising that good English salesmen have not taken hold of the accident business; and they never will so long as the companies themselves render it practically impossible for a canvasser to secure a decent livelihood. In answer to the possible argument that the British offices cannot afford to pay larger renewal commissions, I wish to say that if American companies, whose expense of management owing to different conditions and large area of territory is comparatively heavier and whose claim ratio is higher, can afford to pay living commissions and renewal commissions, the English companies can, if they will, do equally as well by their agents.

THE Grand Rapids Fire insurance company on Wednesday reinsured its entire business, most of which is in Michigan, in the National Fire insurance company of Hartford. The contract was arranged by Mr. James, the Western general agent of the National Fire. The Michigan company will wind up its affairs. It was organized in 1882, and its July statement showed that it then had a net surplus of $35,607, which was a decline from its January statement of $6,422, and from that of the preceding January of $37,243. The risks in force December 31, 1900, aggregated $31,622,211. The secretary and manager, Mr. W. Fred McBain, has been an active man in the business and has earned a reputation as an underwriter outside of Michigan. He is taken care of in the deal and will represent the National Fire in Michigan, with headquarters at Grand Rapids. Mr. Henry L. Bogue, the assistant secretary, removes to the Chicago office of the National Fire, where he will be employed as an examiner. The president, J. W. Champlin, died three weeks

ago, and his successor was not elected, pending the consideration of the reinsurance proposition. It is understood that Mr. McBain recommended its acceptance.

A SPECIAL cable dispatch from London to the *Journal of Commerce* announces that the Alliance assurance company of London is negotiating for the purchase of the Imperial insurance company of London. The price fixed to be paid by the Alliance for the Imperial in case the deal is consummated will be equivalent to about £28 per share. The capital of the Imperial is made up of 60,000 shares subscribed at £20 each, making a total of £1,200,000. There is £5 paid up on each share, making the paid-up capital £300,000. This makes the total value of the shares at £28 apiece equal £1,680,000. The statement that the deal is on foot and will probably go through comes from an absolutely reliable source and has been confirmed by a shareholder, says the *Journal of Commerce*. "Prominent London underwriters are looking forward to some announcement to the shareholders, as those having high sources of information think there is little chance of anything now upsetting it. The matter has been in progress for a month or more." As usual, the United States managers are without advices from their home offices about this deal.

IN the case of Currier against the Mutual Reserve Fund Life Association, in the United States Circuit Court of Appeals, just reported, the agent of the association had procured applications for insurance in accordance with his instructions, and with the rules and regulations of the company, and forwarded them to the home office of the defendant for its action upon them. The applications were in due form, says the court, and it is to be presumed that the applicants were insurable risks, and that the risks were satisfactory to the company. No objection to them was pointed out, and the presumption is that none existed. The only objection made to delivering the policies was that the rate of premium on them was too low. The court held that on these facts the ordinary rule in regard to agents applied—that is, while an agent is not usually entitled to his commission until the transaction is complete, yet, if he has faithfully performed his part of the transaction, and from no fault of his own, but by the refusal of the principal to complete the contract, it is not consummated, the agent will be entitled to his commissions.

ENERGETIC measures are being taken by Mr. Henry C. Bliss, receiver of the Masons' Fraternal Accident Association of Westfield, Mass., to secure the rights of the policy-holders of the collapsed concern. Mr. Bliss believes that its directors have shared more liberally in the receipts of the association than was their due, and has instituted legal proceedings to compel the return of the excess to the policy-holders. Meanwhile Samuel W. Munsell, who was for a period the accountant of the Masons' Fraternal, is working at a plan to organize a purely mutual assessment accident association, to be located in Springfield, and to be styled the Masonic Mutual Accident Company. The plan is to recruit its membership principally among the members of the late Masons' Fraternal. The preliminary papers of organization were filed at the Massachusetts Insurance Department last Wednesday, and the promoters of the company are now engaged in securing the 500 members requisite before it may begin business under the Massachusetts laws. Robert H. Kneil will be president and Edward S. Batchelder treasurer.

A SUIT has been begun by Chief Justice Thomas J. Simmons, of the Supreme Court of Georgia, in the City Court of Atlanta against the Mutual Reserve Fund Life Association for $2,000, on the ground of violation of contract by the association. A press dispatch says:

The petition states that a policy for $5,000 was issued upon the life of Chief Justice Simmons on May 13, 1890, which policy, according to contract, was to remain in force as long as certain mortuary calls were paid. The defendant, it is claimed, was entitled to charge mortuary calls bi-monthly to the amount of $20.80, which was according to rates at the age of policy-holder in 1890, fifty-three years. This bi-monthly rate of $20.80 was charged until February, 1898, when the rate was raised to $33.90. This rate began with call No. 96 and continued through call 104. Again, it is stated, the rate was increased, and to call 110 $41.40 was charged. Then to call 116 $45.15 was charged. The petition alleges that: "Each and all of these increased calls was and is in violation of the contract and without authority of law." All calls up to, but not including, call 116 were paid in order to maintain the policy and avoid disputes, it is stated. "Tiring of these repeated demands made in violation of the contract," the petition continues, "the petitioner refused to pay call 116, and the defendant has notified him that his policy is forfeited, null and void."

THE Mutual Reserve Fund Life Association keeps alive its controversy with the Minnesota Insurance Department by mailing its pamphlet attacking the commissioner to the public officials and members of the Legislature of Minnesota and other persons in that State. By this ill considered policy, which savors of vindictiveness, it is exciting the curiosity of the recipients of the literature as to what has caused the Insurance Department to take action against the association; why it objects to being examined, and what there is in the charges that it treats its policy-holders unjustly and is not paying its death claims at maturity? It is apparent that whoever is responsible for this ostrich-like business is stupidly unconscious that he is inviting retaliation upon the association, which possibly may take the form of introducing to the public officials, members of the Legislature and other persons in Minnesota serial numbers of that extraordinary sheet calling itself the *Interview*. Dwellers in glass houses should not throw stones.

THE firm of insurance brokers in London which has invited the largest American fire insurance companies to come over and smash the British insurance companies' combine is likened by the *Scottish Critic* to the renowned "three tailors of Tooley street." It says:

In the name of the United Kingdom a London firm of "insurance brokers to the Kennington Hackney Carriage Proprietors' Association" invites America to establish fire offices in Britain, offering at the same time to act as representatives of the proposed syndicate of "say, about six large American companies combined together." The British public is represented as discontented with the tariff fire offices, and the non-tariff companies are described as financially and numerically in the background. It is recognized as possible that the British companies would at once reduce their rates, but America is assured that the public are so disgusted with British offices that any American company would be preferred. One of the partners of the Hackney Carriage insurance brokers offers to go to New York by arrangement and discuss the matter, but prefers to welcome American representatives in London, if practicable. Possibly large American fire insurance companies may object to confer with the Hackney Carriage insurance brokers anywhere.

THE Minneapolis *Journal* of last Saturday has the latest exchange of blows between Commissioner Dearth and the Mutual Reserve Fund Life, which is as follows:

The Mutual Reserve Fund Life Association, recently barred by Insurance Commissioner Dearth from doing new business in Minnesota, has served notice on that gentleman that it will no longer accept him as its agent for the service of papers. The State law provides that every company doing business in the State shall appoint an agent that service may be made on him. Service may also be made on the insurance commissioner, who has power of attorney. The notice received to-day stated that at a directors' meeting July 24, a resolution was passed revoking Dearth's power of attorney, so that in all suits hereafter brought in Minnesota service must be made on J. O. P. Wheelwright, of Minneapolis. Commissioner Dearth consulted the Attorney-General, and under his advice mailed the notice back to the company with a letter stating that he would continue to exercise power of attorney in all cases involving liability incurred while the company was doing business in the State, while any business done since that

time is illegal and incurs a heavy penalty. A notice similar to that sent Mr. Dearth was also sent to the Secretary of State, who returned it, refusing to accept it for filing.

THE Knights of Pythias have had considerable trouble over the fees paid the collectors in the various lodges, as they were apt to recompense themselves first. The recent special session of the Supreme Lodge, which increased the rates, provided that all monthly dues and section dues be abolished, and the expenses be met by taking 10 per cent. of all collections, and that the collectors be paid quarterly out of this fund, their compensation being 5 per cent. of all their collections, but they not to be allowed to retain anything on monthly remittances. The defections from the endowment rank of the Knights of Pythias in July because of the increase in rates which goes into effect September 1 were 2,600, about 3 per cent. of the membership. The full effects will be apparent this month and next, as each member has just been given official notice of what his rate will be after this month. A large force is at work striving to hold the membership in line.

THE Chronicle Fire Tables for 1901 have been published by the Chronicle Company, of New York. The summary of fires in 1900 shows 109,092 fires in the United States, against 105,342 in 1899 and 94,062 in 1898. Dwellings and boarding houses constituted 46.2 per cent. of the property burned. The losses by exposure were 27.6 per cent. of the whole. The aggregate loss in value in 1900 was $161,000,000. June was the worst month of 1900, the property loss that month being $19,065,240 and the insurance loss $11,916,545. In twenty-five years December was the worst month. The principal causes of fires in 1900 in the order named (excluding unknown) were: Incendiarism, defective flues, sparks, spontaneous combustion, electric lights and wires, furnaces, lightning and friction in machinery. These interesting facts and a thousand more bearing on the fire waste and the insurance involved appear in this year's edition of the Tables.

THE Prudential of Newark has a fine exhibit at the Pan-American Exposition, which was prepared by Statistician Frederick L. Hoffman. There are forty charts and diagrams, most of which pertain to the general industrial experience of the company, which is sufficiently large to warrant reasonably accurate conclusions as to the relation of age, sex, race, nativity and occupation to human longevity. The diagram showing the mortality by occupations exhibits at a glance the actual results of the experience of the Prudential during the three years 1897-1899. Of the total deaths occurring during that period among male policy-holders 25 per cent. were of persons engaged in manufacturing industries, 21.9 per cent. laborers and ill-defined occupations, 14.4 per cent. dealers and merchants, and so on down to 1.2 per cent. for persons engaged in Government and defense.

THE insurance of Alpine guides against death or accident is a further extension of the insurance principle. A company has been formed in Geneva, Switzerland, to make a specialty of this kind of business. The way has been paved by sundry Continental Alpine clubs. The London *Insurance Observer* says:

The Swiss Alpine Club led the way. In 1895 it made an arrangement with the Zurich insurance company, whereby any duly licensed guide might insure himself for the season—i. e., from May 1 to October 31 in each year—at a premium of 8 francs for every 1,000 francs assured, five-eighths of the premium being paid by the club and only three-eighths by the guide himself. Of the guides who perished in the terrible Dent Blanche accident of 1899, two were insured for 4,000, and the third for 3,000 francs. The total number of guides insured for that year was 370, the total contribution of the club toward the premiums being 6,275 francs. The premium covers the case of accidents, not only in Switzerland, but also in Germany, Austria, Italy and France.

THE *Travelers Record* for August gives a list of 250 causes of accident to policy-holders upon which the Travelers paid claims in the month of May, 1901. Some of these are peculiar, as: "Tripped over dog," "struck against brass bedstead," "stepped on tack," "gold bar fell on foot," "bumped head against beam," "berth in sleeping car fell," "kicked at cat, slipped and fell," "scratched by cat," "threw board at cow and nail in board injured hand," "upset by hog running between legs," "stung by wasp," "case of type fell," "accidental blow from whip," "stubbed toe," "tipped back in chair when it slipped," "woman stepped on toe in elevator." The unfortunate who suffered from the last accident received $319.28 indemnity. No one knows what kind of unusual accident lies in wait for him.

AT the midsummer meeting of the New England Insurance Exchange, held last Saturday, it was voted that when blanket rates are made on schedule rated property the applications for the rates must be put in by the owners, who must state the distribution of the values in the application over their own signatures. The proposition that a charge be made for the insertion of the lightning clause was turned down. Recommendations were made that the 5 per cent. exemption be stricken from the blanket form of policy, and to amend the mechanics' permit form in the direction of prohibiting the removal of old paint by the use of lighted torches. The Exchange will resume its regular meetings on Saturday, September 14.

FIFTY fire insurance companies doing business in Illinois filed a bill in equity in the Sangamon County Court, at Springfield, Ill., on Wednesday against ex-Insurance Superintendent Van Cleave. It is claimed by the plaintiffs that the defendant collected taxes on unearned premiums. This, they say, was illegal. They also claim that sums amounting to several thousand dollars have not been turned over to the State Treasurer. They ask that Mr. Van Cleave and Henry Yates, present Insurance Superintendent, be enjoined from collecting a tax on unearned premiums in the future, and that the sums thus improperly collected be turned into the State Treasury and restored to the complainants

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AT the regular meeting of the Boston Board of Fire Underwriters last Tuesday the advanced rates on soft lumber wharf and yard property in the Albany street district were promulgated. Roughly speaking, the advance will average about 25 per cent., although in individual instances it amounts to considerably more or less than that figure, as conditions seemed to dictate. Messrs. George A. Russell, George A. Eastman and Adam Archibald were added to the tariff committee, which is now engaged in studying the matter of advancing the rates on coal wharf and coal yard property, the necessity of which has been emphasized by recent fires.

THE Fidelity Mutual Life of Philadelphia reports that its receipts for the quarter ending June 30, 1901, amounted to $650,202.65, as against $581,090.54 for the same period of the preceding year. The death claims and payments to members amounted to $258,197.70, against $312,956 the same quarter of the previous year. The new business written during the quarter amounted to $5,964,631, an increase over the previous quarter of nearly 22½ per cent. The net ledger assets, exclusive of the non-ledger assets, June 30, 1901, amounted to $3,345,365.65, as against $3,175,002.21 at the beginning of the quarter.

THE Atlanta *News* says that Comptroller-General Wright, as Insurance Commissioner of the State of Georgia, will recommend in his annual report to the Legislature that the deposit

now required on insurance companies be raised from $10,000 to $25,000, which was the amount prior to 1899. When the Manhattan Fire of New York failed several months ago there were claims against it in Georgia amounting to more than $10,000. The company failed soon after the new law went into effect, and it is mainly on this account that Comptroller Wright wants the amount raised.

In the appealed case of Fisher against the Merchants insurance company in the Maine Supreme Court, Chief Justice Wiswell, in an opinion handed down August 8, says:

A stipulation in a contract providing for the settlement by arbitration of all controversies and disputes that might subsequently arise between the parties is invalid, because its effect would be to oust the courts of their jurisdiction; but if the arbitration agreement relates only to the determination of some preliminary matters, such as the amount of damages to be recovered, and does not apply to the whole question of liability, such provision, when a reasonable and definite method is provided for choosing the arbitrators, is valid and enforceable.

A Niagara Falls correspondent of the *Cataract Journal* is incensed at the high fire insurance rates and the riches heaped up therefrom by the insurance companies. He says: "The companies seem to want it all (local agents excepted). Big places for sons-in-law, sons and daughters at $5,000 to $25,000 a year. Big places for papas and mammas, soft snaps and residences on Fifth avenue. I know this is true, with Saratoga and Europe on the side. All at the expense of the public, who are held up by insurance highwaymen."

Complaint against the methods of the American Life insurance company of Lexington, Ky., and the National Beneficial Endowment Company of Kentucky and Virginia, both assessment concerns, has been made to the Kentucky Insurance Commissioner by President Adams, of the Sun Life of Louisville He charges that they are doing industrial life insurance, which the law does not permit assessment companies to do. The Endowment Company is writing a large amount of industrial business among negroes.

Chicago fire insurance premiums in the first six months of 1901 were larger than those of the corresponding months in 1900. The Royal led off with $239,856, followed by the Liverpool and London and Globe, $219,475; Phenix of Brooklyn, $196,869; Home, $179,150; Scottish Union and National, $169,763; National Fire of Hartford, $144,764; Hartford Fire, $142,087; New York Underwriters' Agency, $137,867; Continental, $130,124, and Germania Fire, $127,182.

The following committee on order of business at the annual meeting of the Western Union at Round Island, September 18, has been appointed by President De Camp: Eugene Cary, of the German-American; I. S. Blackwelder, of the Niagara Fire; Fred. S. James, of the National Fire of Hartford; G. H. Lermit, of the Northern; P. D. McGregor, of the Queen; J. S. Belden, of the London and Lancashire, and A. J. Harding, of the Springfield Fire and Marine.

The Standard Insurance Directory of New England for 1901 has been issued by the Standard Publishing Company, of Boston, and contains the complete list of the fire, marine, life, casualty and miscellaneous insurance companies doing business in New England and the locations of their principal agents, with statistical and other information pertaining to the various branches of insurance. The volume is bigger and better than ever. Price $1.

The new team rates put into effect by the liability conference August 1 are strongly opposed by the Chicago Liability Board, which claims that the experience of the majority of its members has been favorable on some of the classes which are given the largest increase. A request has been made by the Chicago Board to the conference to have the application of some of the rates to Chicago set aside.

The Plant Line steamer Halifax, which ran upon the ledge at Minot's Light in Boston Harbor early Monday morning during the prevalence of a fog, and then was beached at Fort Warren without the loss of any of the 250 lives aboard, will be saved. The vessel is insured for $160,000, and the expense to be incurred in raising and repairing it is variously estimated at from $25,000 to $50,000.

The United States managers of the Atlas of London, at Chicago and New York, are still without information from the other side concerning the negotiations going on for the sale of that company to the Phœnix of London, but managers of other companies have advices to that effect, confirmatory of the reports which were published last week.

From the press of the Review Printing and Publishing Company, Philadelphia, comes the Philadelphia, Pennsylvania and Delaware Insurance Directory for 1901, J. H. C. Whiting publisher. It covers the information about companies, agents, brokers and underwriters' organizations in the two States fully, accurately and up to date, and sells for $1.

The companies caught on the fire which swept Rantoul, Ill., last week are preparing to file subrogation suits against the Illinois Central Railroad. A spark from one of its engines started the blaze. The evidence to support this claim is said to be conclusive, and the companies may be saved over $100,000 in insurance losses.

A course of study of fire insurance is to be instituted in the University of Chicago if the sum of $5,000 annually will be guaranteed by somebody for the first five years. Graduates in the course are to be given the degree of Bachelors of Philosophy in Insurance, and President Harper approves of the plan.

The Bankers Life Association of St. Paul, Minn., in changing from an assessment to a regular company also changes its name. It reincorporates as the Minnesota Mutual Life insurance company. Ex-Insurance Commissioner O'Shaughnessy will be manager of the Western department.

The threatened advance of rates at Kansas City, Mo., will be fought by the Commercial Club, of that city, but not under the leadership of President Schmeizer, who goes out of office at the expiration of his present term.

The fraternal order of the Maccabees decided at its biennial meeting at Port Huron, Mich., to raise the rates for insurance, and it is expected that there will be opposition encountered from the older members.

The remaining business of the Associated Manufacturers Fire insurance corporation of Brooklyn has been reinsured by the Phenix insurance company, Sumner Ballard being the intermediary.

Personal

AGENCY APPOINTMENTS.

Albany: Simpson, Ide & Co., of Boston, general agents for Massachusetts.

Columbia of Jersey City, N. J.: Bellows, McDowell & Co., Chicago, general agents for Illinois.

Connecticut Mutual Life: Norman W. Hayward, Providence, R. I., general agent, succeeding W. B. Barrows, resigned.

Farmers Fire of York: A. G. Newcombe, Brooklyn, N. Y.

Fidelity and Casualty: Charles J. Bosworth, of San Francisco, general agent, succeeding S. C. Pardee.

Girard Fire and Marine: Randolph Buck, special agent in Michigan.

Manchester Fire: Henry O'Kane, Columbus, Ohio, succeeding R. H. Gardner.

Norwich Union: Codd & Co., Detroit, Mich.

Pennsylvania Fire: Willis, Greene & Bates, Worcester, Mass.

Provident Savings Life: M. C. Gray, manager for Michigan, succeeding Fred G. Macgurn, resigned.

Springfield Fire and Marine: Gutte & Frank, San Francisco, Cal., metropolitan managers.

Mr. Walker Buckner, one of the Chicago general agents of the New York Life insurance company, died at Evanston, Ill., on Monday from consumption, after a long illness. He was formerly and for many years manager for Wisconsin and Iowa, with headquarters at Milwaukee. Mr. Buckner was the father of Fourth Vice-President Thomas A. Buckner, of the New York Life.

Messrs. L. C. Lawton & Co., managers for the Mutual Life insurance company for Ohio, with headquarters at Cleveland, have resigned, the resignation to take effect January 1, 1902. It is expected that the State will be divided after that date into three departments, of which Cleveland, Columbus and Cincinnati will be the respective headquarters.

Mr. W. R. Harper has been elected third vice-president and general manager of the South Atlantic Life of Richmond, Va., to fill the vacancy caused by the resignation of Robert L. Foreman some time ago. Mr. Harper has been the Georgia manager for the Ætna Life of Hartford, with headquarters at Atlanta.

Ex-Superintendent Van Cleave, of Illinois, was arrested yesterday on the complaint of the notorious H. H. Klayer, charged with the larceny of insurance department records concerning the Ætna of Hartford. He gave bonds to appear on Wednesday next.

Mr. C. B. Squire, former general manager of the Manhattan Fire, has gone into the brokerage business in New York in partnership with William Crolius.

Mr. Charles Beddall, at one time manager of the Lion Fire of London, died recently in England.

Miscellany.

Method of Valuing the One Year Term Policy by the Missouri Insurance Department.

(*Actuary J. B. Reynolds, of the Missouri Department, in the Insurance Leader, of St. Louis.*)

Editor Insurance Leader—Dear Sir: Referring to your valued favor of recent date, the question of valuation of life insurance policies as "first year term insurance" is again on tapis for discussion, and is rightfully attracting some attention. For the past two or three years I have read with interest the discussion upon this subject by the leading actuaries of the country. I have so far refrained from attempting to discuss the subject in the way of a written communication, and I will add here that I have nothing new to present, as it appears to me the whole field has been gone over; but recently I have been requested to state the position of the Missouri Insurance Department upon this question, or to state my own views thereon.

What I shall say is not intended as a criticism of the views of those who have so ably presented the question from either side, but it seems to me that from a departmental valuation standpoint the recent discussions, as published, have been rather theoretical, and in some respects an erroneous assumption upon the part of the advocates and opponents of the system.

In a recent publication a prominent actuary (and one in whose opinions I have great confidence) is reported as having said that, in his opinion, the one year term valuation was mathematically possible and legally correct, and that this form of valuation might be carried on for a number of years *until a point was reached where it would be necessary to use the entire gross premium to provide for the reserve.* Beyond that point the company could not theoretically or practically go. This would require, however, a gross instead of a net valuation in order to ascertain the condition of the company.

Viewed from the standpoint of *sound life insurance* practice he believed that the preliminary term valuation should be disapproved; that it was merely a subterfuge adopted to conceal expense, and was of no use or benefit to a *properly managed company.*

The Missouri Insurance Department has for a number of years recognized the first year as term insurance in the valuation of life policies, whenever it was plainly stated in the policy contract that the first year premium was for term insurance only, and the guaranteed surrender values, either in cash, loan, paid-up or extended insurance, were based upon the fact that the first premium was consumed in first year expense.

Take, for example, a twenty (nineteen) pay life at any age. If the net premiums are constructed for a nineteen pay life (age advanced one year from entry) and the reserves extended upon the same basis, together with all provisions for surrender values of whatever kind, and the company conducts the business within the expense loading provided for, I fail to see wherein the company is not dealing in as *sound life insurance* as though the policy was a twenty pay life contract.

Certainly the company has the same right to issue a nineteen pay life policy that it has to issue any other kind of a limited pay contract When the net premiums are properly constructed and the nineteen reserves correctly extended, and the surrender values computed upon a basis of nineteen reserves, I am unable to see when the *point will be reached where it would be necessary to use the entire gross premium to provide for the reserve,* or that it would ever be any more necessary to apply a gross valuation to a company of this kind to ascertain its condition than to apply a gross valuation to one which issues the same policy as a straight twenty pay life.

Mortality experience, interest earnings and other conditions being equal, a company is just as safe issuing fourteen and nineteen pay life policies as one issuing fifteen and twenty pay life policies. Of course, net premiums, reserves and surrender values must be based upon the number of premiums out of which the reserve (or single premium, in the end) is to be accumulated.

Where the policy contract plainly provides that the first premium is to be used for mortuary and expenses, and that the reserve accumulation does not begin until the payment of the second premium, there is certainly no violation of the terms of the contract upon the part of the company when the first premium is thus used, and in my judgment the contract is just as legitimate as a "five year term ordinary life or life option"; if I mistake not, some of the companies issue such policies.

Where the policy contract makes no reference to the first year as being term insurance, and the surrender values are based upon the whole number of premiums paid, then I am opposed to the valuation of such a contract as a first year term, merely for the benefit of the company to show a larger surplus or have a greater expense fund available.

I refer to a twenty (nineteen) pay life in the foregoing example, and I hold the same theory upon a ten (nine), fifteen (fourteen) pay life, or ordinary life (advancing age one year) and all other forms of policies.

If insurance departments disapprove one year term in valuations (where the contract plainly provides for it), on account of it being a subterfuge to conceal expenses, why not do likewise when the expense loading is more than consumed to secure new business by a company providing for the accumulation of the reserve from first premium?

Officers of some of the smaller companies in the West have discussed this question with me, and I have advised them to calculate the net premiums, reserves and surrender values upon the basis of the number of premium payments out of which the reserve is to be accumulated to provide for the single premium at the end of the premium paying period. I think it is sound life insurance, and the point will never be reached where it will be necessary to use the entire gross premium to provide for the reserve.

Expense of new business! Volumes have been written upon the subject; it has been discussed *pro* and *con.* It is certainly a perplexing problem with the management of large and small companies, and in the opinion of many the expense of new business is entirely too high. However, I am not discussing that subject at this time, except the relation it bears to the first year term problem; and taking it in connection with the first year term, how should we answer this question?

Does not a company come as near living up to the spirit and meaning of the law by using the first year premium (after providing for first year death losses) for expenses (if plainly pro-

vided for in the contract) as the one which uses the policyholders' surplus (without being mentioned in the contract) to secure and pay for new business?

Some hold that there is discrimination in first year term policies where one purchases an endowment policy and another an ordinary life, both being the same age. As to this "scarecrow" of discrimination I would ask: Which is the greater discrimination, first year term with privilege of renewing as endowment or ordinary life, or to use the surplus accumulations of the policyholders to secure the new business?

I am not criticising either the companies which apparently draw on surplus for expense of securing new business or those which use all of first year premiums (as provided in the policies) for expense. I do not believe there is a company of either class (if I be permitted to so classify them) doing business in Missouri but what is honestly endeavoring to keep its expense account down to the minimum and make the best possible showing for its policy-holders; but it a condition which confronts them, and I firmly believe will be solved satisfactorily to all, without injustice to the insuring public.

Whenever the companies that do not provide for first year as term insurance confine their expense of new business to the "expense loading" on the net premiums, then they will be in a position to criticise the first year term provision; but until then, which deserves the most criticism, and how shall insurance departments justify the approval of one and the rejection of the other?

Under existing conditions, I favor, in valuations, the recognition of "first year term" whenever it is plainly stated in the contract, and all surrender values are upon that basis.

Very respectfully,

J. B. Reynolds,
Actuary Missouri Insurance Department.

The Fallacies of Municipal Fire Insurance.

A proposition is before the London County Council to establish a municipal fire insurance fund by taxing the citizens, to be used in reimbursing them for losses, and doing away with insurance in the regular corporations engaged in the insurance business. The *Finance Chronicle* prints some homely truths on the subject, which might be considered with profit by the agitators for government insurance, who are continually springing up with their visionary schemes in this country. The following are extracts from the article:

The argument adduced in favor of the council becoming the insurers of municipal properties cannot be sustained. It is true, as pointed out in the committee's report, that certain railway and shipping companies and other bodies have hitherto been very fortunate with their insurance funds, but it is equally true that such concerns have been, and are to-day, standing to lose upon individual risks amounts which an experienced underwriter would view with alarm, and which he would not, for any consideration, incur for his company, however large its capital and funds, without the assistance of numerous reinsurers at home and abroad.

One severe loss would, in most cases, absorb all the past savings and a succession of two or three heavy losses, an improbable but not impossible eventuality, would be disastrous. The unexpected often happens, in fire insurance as in other matters, and the premiums charged for municipal properties are so small compared with the large individual amounts at stake that it would be false economy on the part of the council to seek to save the moderate profit which insurance companies may expect to derive from this, in conjunction with similar business, over a series of years. Surely there are more promising and legitimate openings for economy, without the incidental risk of heavy loss, if the councillors will only seek for them.

The experience of fire insurance companies proves that profit can only be obtained by spreading their liabilities over a wide area and a large number of risks, keeping a moderate amount on each. For example, a company with a million of premium revenue would never place itself in a position to lose more than 1 to 2 per cent. of this income in the event of one of the very best individual risks on its books becoming a total loss. The council, on the other hand, with an insignificant premium revenue and no reserves, except those in the pockets of ratepayers, proposes to incur much larger liabilities on individual risks, trusting to luck to build up a fund before a heavy loss occurs. Such operations savor more of gambling than insurance, and when, as already indicated, the coveted amount of premium is so small in comparison with the liability of heavy loss involved, the gambling element is intensified.

When insurance rates are onerous and risks numerous and of about equal value, there is greater excuse for a corporation or firm endeavoring to save a portion at least of the premiums required for insurance. But the risk run is always great and the venture may lead to a much larger loss than deemed possible. We need only instance the case of the North German Lloyd, which lost at one time three ocean steamers valued respectively at £200,000, £150,000 and £100,000. These steamers were all wrecked in the Hoboken wharf fire in New York last year. The largest steamer was partially protected, but the other two were wholly uninsured, the owners having decided to save the premiums and create an insurance fund. * * The past history of fire insurance amply demonstrates that insurance on a small scale cannot be made to pay. Companies working in a limited area are bound sooner or later to find out their mistake, and the chance of the ultimate success of municipal insurance is even more remote because of the difficulty with regard to excessive amounts. Reinsurance could not be obtained on more favorable terms than direct policies, and if the greater part of the business were reinsured, as is customary in Swiss cantons, where the insurance of buildings is a municipal monopoly, the anticipated profits would be proportionately reduced. In Switzerland the municipalities soon realized from experience the danger of taking the whole risk upon themselves. In one of the principal cantons whre the insurances on buildings amount to over ten millions sterling, five or six years' premiums would be lost in the event of any one of the three principal buildings being destroyed. The municipality therefore reinsures 80 per cent. of all its business with ordinary fire insurance companies, and as the business could be placed direct with these companies on equally if not more favorable terms, the value of municipal insurance to the community is certainly doubtful. The municipality has no experience of rating risks, and the large and hazardous risks escape lightly while the best and smaller risks are unfairly penalized. It removes from insurance the element of competition, which can never fail to keep premiums at the lowest possible level.

Athough tariffs exist very widely, not only in the United Kingdom but throughout the world, they have never enabled offices to keep premiums at more than a paying level. Fire underwriters realize that a large profit from a particular class of risk or from a particular field of operations cannot be maintained, as in such cases means will always be found by some offices to allow rebates to secure the preference. The only means of insuring loyal and general adherence to tariffs is to keep them upon a basis which leaves no room for unfair competition.

Pink Slips Will Stay.

(*The Ledger, Philadelphia, August 16.*)

Business men and owners of property in the central part of the city who builded hopes for a reduction of present high insurance rates when the new water supply service for the "first district" should be completed are likely to have those hopes dashed, because the authorities are not adhering to the plan of improvements first laid down. Insufficient appropriations are responsible for the temporary abandonment of that part of the plan which provided for powerful pumping stations and the substitution of the fire and police boats. On February 1, 1900, because of the Partridge & Richardson and other large fires, the Underwriters' Association issued a "pink slip," to be attached to policies, announcing an advance in rates of 25 cents on each $100 of property in the fire district, but Secretary Wilmerding told the Trades League that this would be removed when a proper system of fire protection was installed. That the system now under construction is not deemed sufficient was indicated yesterday by Mr. Wilmerding, when he said to a *Ledger* reporter:

"The present system is not that which was proposed, and it is doubtful if it will effect the removal of the pink slip." He added, however, that the association has not yet taken official action on the matter.

According to the intimation thus thrown out on behalf of the insurance companies, it appears that the city will be obliged to expend probably as much more as the estimated cost of the system of fire mains now being laid before the fire insurance

(*Continued on page* 80.)

ADDITIONAL SEMI-ANNUAL RETURNS OF FIRE INSURANCE COMPANIES.

The semi-annual statements of forty fire insurance companies, most of them to the Indiana Insurance Department, appeared in our issue of last Saturday. The following additional returns have been received. Comparison has been made with the figures of January 1, taken from the New York Fire Insurance Report of 1901, except for the Ohio Farmers of Dayton, in which case the Ohio report was consulted. The calculation of gain or loss in surplus in the past six months has been made from these bases:

COMPANIES.	1901.	Assets.	Liabilities.	Reserve.	Surplus.	Gain or Loss in Surplus.
Delaware	Jan. 1	$1,563,451.50	$762,546.83	$642,577.87	$98,029 67	..... —$13,989.67
	June 30	1,529,499.00	742,584.00	656,492.00	84,040.00	
Glens Falls	Jan. 1	3,436,899.05	1,010,948 06	932,332 50	2,225,950.99	..... —74,717.99
	June 30	3,432,931.00	1,081,698.00	971,301.00	2,151,233.00	
Hamburg Bremen	Jan. 1	1,586,975.83	1,087,394.94	990,395.15	499,580.89	..... —129,225 89
	June 30	1,555,706.00	1,185,351.00	1,054,120.00	370,355.00	
Law Union and Crown	Jan. 1	700,784.66	292,837.78	226,174.47	407,946.88	..... +40,506.88
	June 30	705,463.00	257,011.00	221,096.00	448,452.00	
Manchester Fire	Jan. 1	1,841,098.85	1,289,405 40	1,035,248.25	551,693.45	..... —46,668.45
	June 30	1,896,384.00	1,391,359.00	1,085,566.00	505,025.00	
National Standard	Jan. 1	549,310 50	193,616.65	144,432.22	155,693.85	..... —30,934.85
	June 30	574,548.00	249,789.00	182,988.00	124,759.00	
Ohio Farmers	Jan. 1	1,118,486.00	968,755.00	897,953 00	149,731.00	..... +11,564
	June 30	1,127,498.00	966,203.00	935,170.00	161,295.00	
Phœnix, London	Jan. 1	2,932,623.06	2,140,008.05	1,594,080 21	792,615.01	..... —158,457.00
	June 30	2,887,803.00	2,253,645.00	1,654,995.00	634,158 00	
Pennsylvania	Jan. 1	5,334,222.43	2,775,038 56	2,570,119.54	2,159,183.87	..... —65,971.87
	June 30	5,349,562.00	2,856,350.00	2,662,686.00	2,093,212.00	
Providence-Washington	Jan.. 1	2,169,547.23	1,198,308.19	944,951.60	471,23 4.04	..... —110,782.04
	June 30	2,141,897.00	1,281,440.00	987,477.00	360,457.00	
Reliance	Jan. 1	1,015,407.35	491,530.95	434,419.78	223,876.40	..... —8,272.40
	June 30	1,011,938.00	496,332.00	433,220.00	215,604.00	
Royal Exchange	Jan. 1	1,526,587.90	721,161.31	607,042.11	805,426.59	..... +4,787.41
	June 30	1,510,062.00	699,848.00	620,777.00	810,214.00	
Royal	Jan. 1	7,187,715.01	4,703,671.36	3,744,478 59	2,484,043.65	..... +243,515.35
	June 30	7,459,249.00	4,731,690 00	3,517,197.00	2,727,559 00	
Thuringia	Jan. 1	1,046,991.97	693,365.43	609,574.16	353,626.54	..... +13,033.46
	June 30	1,051,273.00	684,613.00	613,321.00	366,660.00	
Union of London	Jan. 1	1,643,662.56	919,352.28	697,292.93	724,310 28	..... +53,521.72
	June 30	1,605,943.00	828,111.00	699,796.00	777,832 00	
Williamsburgh City	Jan 1	2,066,299.68	695,405.06	616,091.01	1,120,894.62	..... +50,550.38
	June 30	2,175,668.00	754,223.00	661,735.00	1,171,445.00	

(*Continued from page 79.*)

companies will allow a reduction in rates, or, say, $300,000. When Chief Hand, of the Water Bureau, made his estimate of the cost of a special fire system to meet the views of the insurance men, he included figures on pumping stations on the Delaware and Schuylkill rivers. The amounts estimated for the items were the same in either case, as follows:

Four 5,000,000 gallon pumps, at $30,000 each	$120,000
Eight boilers, at $4,750	38,000
Foundations for boilers and stack	12,000
Sub-foundations for pumps	5,000
Engine and boiler house	50,000
Total	$225,000

Chief Hand now says that it will probably require $300,000 to build and equip such a station, and that he intends putting an item for that amount in his estimate of the requirements of the Water Bureau for next year. The figures just quoted contain no item to cover the cost of a site for a pumping station, but the mayor some time ago vetoed an ordinance to permit the sale of the abandoned morgue, at Beach and Noble streets, so the property could be utilized for this purpose.

Speculation in Fire Insurance Companies.

(The Journal of Commerce.)

Some years ago speculators commenced to exploit the fire insurance business by attempting to acquire controlling interests in fire insurance corporations at less than the liquidating value of the stock. At that time many insurance stockholders were ignorantly willing to part with their shares for less than they were really worth, and the result was that several companies eventually got into the hands of stock jobbers and were liquidated for the benefit of the purchasers at thousands of dollars' profit.

The "book" value, so-called, of a fire insurance stock is the percentage which its capital and net surplus added together bear to the capital. In case a company retires from business and reinsures its risks in some other corporation, the latter assumes them for usually much less than the reinsurance reserve, and hence as soon as such a transaction has been consummated the net surplus and, consequently, the book value are enhanced by the addition of the difference between the reserve and what the company taking the outstanding risks will accept for carrying them out. Naturally as the liquidating company has paid the agents' commissions and other expenses of securing the business, the concern assuming it allows quite a discount. This varies according to the quality of the business and the value of the good will, or prospect of renewal of the desirable policies as they expire.

For instance, a fire insurance company might have, say, $200,000 capital, $100,000 net surplus, $250,000 reserve and pay 6 per cent. annually to its stockholders. The stock would probably sell at about 110 per cent. A speculator comes along, tries to enlist the president of the company in his scheme, and, failing so to do, buys a small block of the stock, thus being legally entitled to the list of shareholders. He then issues a circular to them soliciting options on the stock at, say, 130 per cent., or 20 points above the last sale. He does not offer to pay anything for the options or to bind himself to take the stock if a majority of the shareholders are foolish enough to gratuitously give an option at such a price. If he gets options on a controlling interest, he can then sell them at a heavy profit without having risked any money of his own.

A slight calculation will demonstrate what a profitable scheme it is. The business, if of good quality, can be reinsured at 30 per cent. less than the reserve, or for, say, $175,000. This immediately adds $75,000 to the net surplus, making it $175,000. The stock then has a book value of 187½. The expense of winding up or "wrecking" the concern is very small, and the speculator who can get the stock of such a company can sell it to some capitalist, who will therefore, after the customary delay in settling its affairs, pocket a profit of 57½ points, less the speculator's remuneration and some small charges. This is a very attractive deal if the options can be secured for nothing, and when attacks on this line were first made they frightened the officers of the companies on which onslaughts were instituted, as they feared a successful outcome; or that, even if nothing else happened, the agents would be seriously demoralized and their confidence in the permanence of the institution badly shaken.

The promoters of such schemes, however, tried so many companies and caught so few that now such an attempt does a company much less damage, although it, of course, annoys the officers. Men who would have difficulty in raising sufficient cash of their own for even a small venture have approached officers of fire insurance companies and have glibly promised them a personal fee of $100,000 or so if they would further a plan to purchase a controlling interest worth a million or two or more. If fire insurance companies wish to retire they can do so with far better results to the stockholders through a liquidation by the officers whereby the stockholders get all of the profit there is. It is not necessary to sell out the stock at a sacrifice.

These desiring options should be asked to state who they represent, required to pay for them, and should be dealt with cautiously unless able to show responsibility. That the fire insurance business has been very unsatisfactory for a year or more is quite apparent, but it does not follow that it will permanently continue so. While there is burnable property there will be a demand for insurance and a supply will be imperatively required. In the present situation strong companies having good business on their books and guided by cool headed, able underwriters will not give up the fight; but, on the contrary, pursue a conservative course, awaiting the turn of the tide which will surely come.

Self-Insurance by Great Corporations.

(The Financier, August 12.)

The record of the fire losses for the first half of the current year have been published. Between January 1 and June 30 the value of the property destroyed by fire was $88,935,000, against $103,299,000 during the first half of last year. To what this difference of about $15,000,000, in favor of the insurance companies, is due is not known, and has aroused considerable discussion in insurance circles. The first half of the year 1900 was an exceptionally bad year for the fire insurance companies, and the record for the first half of the currrent year is probably to a great extent simply an approach to the normal state again. Then, too, the excessive losses of last year may have caused a wiser discrimination in the placing of risks for the current year.

The discussion in regard to this comparative showing brings to light an important movement which has been going on for some years, and which has attracted but little attention ouside of insurance circles. We refer to the movement among large corporations toward carrying their own insurance. Only a few months ago the United States Steel Corporation announced its intention of hereafter carrying all of its own insurance. This one move on the part of this single corporation will result in the annual loss of hundreds of thousands of dollars in premiums to the fire insurance companies. Many of the large railroad systems have regular fire insurance departments which carry a large portion of the risks on their property. The assets of the Insurance Fund of the Pennsylvania Railroad, for instance, at the date of its last report was $4,632,405, an increase of nearly $300,000, as compared with 1899. The Pacific Mail Steamship Company carries over half of its insurance, while several of the large steamship lines on the Atlantic have an insurance fund that carries the insurance on their entire property. The Standard Oil Company is another of the companies that assumes all of its own risks. The John Wanamaker and Astor estates carry all of their own insurance.

There are two apparent reasons for this movement on the part of large corporations. One of these is the large amount of capital controlled, which enables them to put aside out of their working capital an amount sufficient to meet all losses which it is reasonable to expect, and which experience has taught them will probably occur during the year. The other is the clear appreciation of the absolute safety of the principle upon which fire and life insurance companies are built. Of course, it is abstractly possible that all the lives insured by a life insurance company may terminate on a single day, in which case no life insurance company in the world could meet its obligations; and it is also abstractly possible that all the buildings insured in a fire insurance company might be burned in a single night, which would cause the collapse of the richest company in the world; and so it is also abstractly possible that all of the property of the Standard Oil Company or the United States Steel Corporation, scattered throughout the world, might be destroyed at once, in which case both of these companies would suffer the greatest loss if they had attempted to carry even a small portion of their own risks; but in all of these cases of abstract possibility, there is on the other hand an absolute certainty that such a supposition will never become a fact.

With this certainty established it simply remains for mathematics to demonstrate what percentage of risks incurred have been lost over a series of years. While it is impossible to figure, for instance, the length of the life of any one person under the most favorable conditions, it can be demonstrated with mathematical accuracy the average life time of a large number of risks and what percentage of these risks will be lost each year. This percentage, while varying slightly from year to year, will average within a fraction when a series of years are compared. With this percentage known it is a simple matter for the United States Steel Corporation, for instance, to calculate its probable losses over a series of years and compare this calculation with the amount of premiums it would have to pay upon its property to a fire insurance company. As the premium will of course aggregate an amount greater than it is expected the losses from fire will amount to, it would plainly be to the advantage of the steel corporation to carry its own insurance.

The Employers' Liability Assurance Corporation

(LIMITED),

OF LONDON, ENGLAND.

Total Available Resources, $5,382,620.00

$1,324,407.25 deposited in the United States for the benefit of United States Policy-holders.

APPLETON & DANA, U. S. Managers and Attorneys,

71 Kilby Street, Boston, Mass.

EDMUND DWIGHT, Jr., State Agent, 27 William Street, New York.

Royal INSURANCE COMPANY (FIRE) OF LIVERPOOL, ENGLAND.

Statement of United States Branch,

JANUARY 1, 1901.

Assets, held in the U. S. for the special protection of its American Policy-holders.	$7,187,715.01
Liabilities, ...	4,703,671.36
Net Surplus, ...	$2,484,043.65

AGENCIES IN ALL THE PRINCIPAL CITIES, TOWNS AND VILLAGES IN THE UNITED STATES.

Liverpool & London & Globe Ins. Co.,

ESTABLISHED, 1836. ENTERED THE UNITED STATES, 1848.

NEW YORK OFFICE:
WILLIAM & PINE STREETS.

NEW ENGLAND, NEW YORK, PENNSYLVANIA, OHIO, INDIANA, KENTUCKY, TENNESSEE, ARKANSAS, MARYLAND, DELAWARE, DISTRICT OF COLUMBIA, VIRGINIA, WEST VIRGINIA, NORTH AND SOUTH CAROLINA.

H. W. EATON, Resident Manager.
GEO. W. HOYT, Deputy Manager.
JOHN J. MARTIN, Agency Superintendent.

CHICAGO OFFICE:
203–205 LA SALLE STREET

ILLINOIS, MICHIGAN, IOWA, WISCONSIN, MINNESOTA, MISSOURI, KANSAS, NEBRASKA COLORADO, DAKOTA, MONTANA, UTAH, WYOMING AND NEW MEXICO

W. S. WARREN, Resident Secretary.
GEO. H. MOORE, J. V. THOMAS, } Assistant Secretaries.

NEW ORLEANS OFFICE:
Corner CARONDELET AND GRAVIER STREETS.

LOUISIANA, MISSISSIPPI, ALABAMA, GEORGIA, FLORIDA, TEXAS.

CLARENCE F. LOW, Resident Secretary.
J. G. PEPPER, Assistant Secretary.

SAN FRANCISCO OFFICE:
422 CALIFORNIA STREET.

CALIFORNIA, NEVADA, OREGON, WASHINGTON, IDAHO, ARIZONA

CHARLES D. HAVEN, Resident Manager.
C. MASON KINNE, Assistant Secretary.

Provident Life and Trust Co.
OF PHILADELPHIA.

The best in Life Insurance is likely to be the cheapest. The same fidelity, skill and care which are necessary to guarantee the future security of a company result in the lowest cost. A good test, therefore, is to determine whether the organization and the surroundings of a company exclude all doubt as to future security. In determining this the question of cost is determined also. **THE PROVIDENT LIFE AND TRUST COMPANY** invites inquiry as to its organization and the provisions for safety afforded. For the full period of its existence the death rate has been only .614 of the rate indicated by the authoritative tables.

Instituted in Reign of Queen Anne, A. D. 1714.

Union Assurance Society of London

No Overhead Writing
No Dual Agencies.

Loyalty to Local Agents.

United States Offices: Society's Building,
35 Pine Street, New York, ... Hall & Henshaw, Managers
171 La Salle Street, Chicago, . . . Hall & Henshaw, Managers
35 Kilby Street, Boston, . . Hall, Henshaw & Gilmour, Managers
English-American Building, Atlanta, Ga., . George N. Hurt, Manager
Mining Exchange Building, Denver, Col., Gerald L. Schuyler, Manager
AGENTS IN ALL THE PRINCIPAL TOWNS AND CITIES.

INCORPORATED 1851.

The Berkshire Life Insurance Co.
OF PITTSFIELD, Mass.

All Policies issued by the Company are subject to the Massachusetts Non-Forfeiture Law.

WM. R. PLUNKETT, President.
JAS. M. BARKER, Vice-Pres. JAS. W. HULL, Sec'y and Treas.
Agencies in all the principal cities of the United States.

Established 1782.

Phœnix Assurance Company,
OF LONDON.

FIRE INSURANCE ONLY. LOSSES PAID OVER $100,000,000.
Head Office for the United States, 37 Liberty St., N. Y.
A. D. IRVING, Manager. E. B. CLARK, Asst. Manager.
LOUIS P. BAYARD, 2d Asst. Manager.

The Lancashire Insurance Company
OF MANCHESTER, ENG.

MILTON DARGAN, Manager,
25 Pine Street, NEW YORK.

1850. THE 1901

United States Life Ins. Co.

IN THE CITY OF NEW YORK.

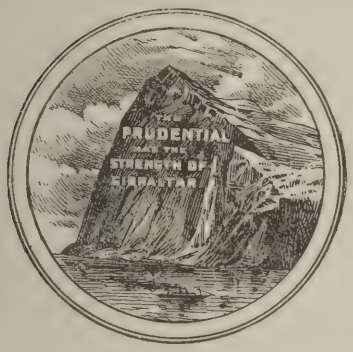
GEORGE H. BURFORD, President.

FINANCE COMMITTEE.

GEO. G. WILLIAMS, . . . *President Chemical National Bank*
JOHN J. TUCKER, ... *Builder*
E. H. PERKINS, JR., *President Importers' and Traders' National Bank*
JAMES R. PLUM, ... *Leather*

Active and successful Agents who desire to make Direct Contracts with this well-established and progressive Company, thereby securing for themselves not only an immediate return for their work, but also an increasing annual income commensurate with their success, are invited to communicate with RICHARD E. COCHRAN, 3d Vice-President, at the Company's Office, 277 Broadway, New York City.

Assets over $8,000,000. **Insurance in Force, over $40,000,000**



ORDINARY
and
INDUSTRIAL
PROFIT SHARING
POLICIES.

EXCEPTIONAL
ADVANTAGES
TO

..... Active Agents.

WRITE TO

THE PRUDENTIAL INSURANCE CO. OF AMERICA

JOHN F. DRYDEN, President. Home Office: NEWARK, N. J.

. . . The . . .

Mutual Life Insurance Company of New York

RICHARD A. McCURDY, President,

Did more business in 1900 than during any previous year.

Income in 1900, - - - $60,582,802.31
Assets December 31, 1900, $325,753,152.51
Insurance and Annuities, $1,141,497,888.02

The history of the Company has been an unbroken record of progress. Its excess of returns to policy-holders has been almost **six** times as much as that of the next largest company and nearly **ten** times as much as that of the third in rank.

Total of Assets and policy payments, $866,232,963
Total premiums received, - - - - $779,134,420

Excess of Assets and payments to policy-holders over total premiums received since formation of Company, **$87,098,543**

It has room for workers who are not rebaters. Address

GEORGE T. DEXTER,
Superintendent of Domestic Agencies,
HEAD OFFICE, NEW YORK.

Germania Fire Insurance Co.

Southeast Corner of William and Cedar Streets, New York.

STATEMENT, JANUARY 1, 1901.

Cash Capital	$1,000,000.00
Reserve for Unearned Premiums	1,563,778.00
Reserve for Losses under adjustment	81,571.61
Reserve for all other Claims	42,475.49
Net Surplus	2,275,975.38
Total Assets	$4,963,800.48

HUGO SCHUMANN, Prest.

FR. VON BERNUTH, GEO. B. EDWARDS, } Vice-Presidents. CHARLES RUYKHAVER, Sec. GUSTAV KHER, Asst. Sec.

Chartered 1866. 33 Years Successful Business.

The Hartford Life Insurance Co.,

HARTFORD, CONN.

Every desirable form of up-to-date contract is issued by this old and sterling company.
All rates and values guaranteed in the contract.

$18,500,000 Paid in Benefits.
Ratio of Assets to Liabilities, $142 to $100.

GEO. E. KEENEY, President CHAS. H. BACALL, Secretary.

ESTABLISHED IN 1822.

THE NATIONAL ASSURANCE COMPANY OF IRELAND.

GEORGE E. KENDALL,
United States Manager,
HARTFORD, CONN.

Commercial Union Assurance Co.

LIMITED,
OF LONDON.

OFFICE:

Cor. Pine & William Sts., New York.

Capital, $2,500,000. AGENTS WANTED.

SURETY ON BONDS.

HOME OFFICE
BUILDING,
NEW YORK.

American Surety Co.,

100 BROADWAY,

NEW YORK.

Capital, $2,500,000.

STATEMENT DECEMBER 31, 1900.

Resources (including Capital, $2,500,000)	$5,354,285.00
Liabilities (including Reserve, $592,251.67)	900,995.71

HENRY D. LYMAN, *President.* W. S. JOHNSTON, *Vice-President.*

TELEPHONE: CORTLANDT 5395.

1846—1901.

THE CONNECTICUT MUTUAL LIFE

Insurance Company.

WHERE THE CONNECTICUT MUTUAL STANDS.

During all the long struggle out of which this situation has developed, and amid the many schemes devised to attract public attention and favor to something else than life insurance, the attitude and position of the Connecticut Mutual have never been doubtful.

It has held to the cardinal facts: Life insurance is for the protection of those dependent on a man's life; their dependence makes it his unavoidable duty. Those dependents we assume to protect by our contract, at his personal cost; our duty to them is to make that protection as large, as secure, and as certainly available to them as possible; our duty to him is to make its cost to him as small as possible.

JACOB L. GREENE, President. **HERBERT H. WHITE, Secretary.**
JOHN M. TAYLOR, Vice-President. **DANIEL H. WELLS, Actuary.**

The Metropolitan Life Insurance Co.

(INCORPORATED BY THE STATE OF NEW YORK.)

"The Leading Industrial Insurance Company of America,"

IS REPRESENTED IN ALL THE PRINCIPAL CITIES OF THE UNITED STATES AND IN CANADA. THE PAYMENT OF OVER 250 DEATH CLAIMS DAILY TELLS OF THE GOOD IT DOES. INSURANCE IN FORCE OF OVER $900,000,000 ATTESTS ITS GREATNESS AND FAVOR WITH THE PUBLIC.

Permanent, Profitable and Progressive Employment.

AGENTS WANTED—Any honest, capable, industrious man, who is willing to begin at the bottom and acquire a complete knowledge of the details of the business by diligent study and practical experience can, by demonstrating his capacity, establish his claim to the highest position in the field. It is within his certain reach. The opportunities for merited advancement are unlimited. All needed explanations will be furnished upon application to the company's superintendents in any of the principal cities, or to the Home Office, No. 1 Madison Avenue, New York City.

JOHN R. HEGEMAN, President.

HALEY FISKE, Vice-President. GEORGE H. GASTON, Second Vice-President. GEORGE B. WOODWARD, Secretary. J. J. THOMPSON, Cashier and Assistant Secretary. JAMES M. CRAIG, Actuary. JAMES S. ROBERTS, Assistant Secretary. STEWART L. WOODFORD, Counsel. THOS. H. WILLARD, Medical Director. A. S. KNIGHT, Assistant Medical Director.

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.

FOUNDED 1792.

Assets, January 1, 1901		$9,583,791
LIABILITIES—Reserved for Reinsurance and all other claims	$4,805,254	
Capital Stock	3,000,000	
Surplus over all Liabilities	1,778,537	$9,583,791

Agents in all the principal towns and cities.

CHARLES PLATT, President. EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. BENJAMIN RUSH, Second Vice-President.
T. HOUARD WRIGHT, Marine Secretary. JOHN B. ATWOOD, Assistant Secretary.

Offices in New York: Fire, William and Pine Sts.; Marine, 63 Wall St.

1826. THE 1901.

Pennsylvania Fire Insurance Co.

OF PHILADELPHIA.

Cash Capital,	$400,000.00
Re-insurance and all Liabilities,	2,771,038.56
Surplus,	2,163,883.97
Total January 1, 1901,	$5,334,922.53

R. DALE BENSON, Prest. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Prest. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

Northern Assurance Company,

OF LONDON, ENGLAND.

EASTERN AND SOUTHERN DEPARTMENTS,

38 PINE STREET, NEW YORK.

GEORGE W. BABB, JR., Manager. T. A. RALSTON, Sub-Manager.

The Mutual Benefit Life Insurance Co.

NEWARK, N. J.

AMZI DODD, - - PRESIDENT.

ASSETS (Market Values) Jan. 1, 1901	$74,311,468.25
LIABILITIES, N. J. and N. Y. Standard	68,186,103.34
SURPLUS	6,125,364.91

MUTUAL BENEFIT POLICIES

—CONTAIN—

Special and Peculiar Advantages

WHICH ARE NOT COMBINED IN THE

POLICIES OF ANY OTHER COMPANY.

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

VOL. LXV. SATURDAY, AUGUST 24, 1901. No. 8.

Published every Saturday by the Underwriter Printing and Publishing Company.

Subscription price: Five Dollars per annum in advance. Single Number, Ten Cents.

All communications should be addressed to THE WEEKLY UNDERWRITER, 58 William Street, New York.

Checks and money orders should be made payable to the order of THE WEEKLY UNDERWRITER.

LOCAL underwriters are giving careful attention to the increasing danger attending the extended use of gasoline and other high volatiles as motor power for automobiles. It is known that many livery stables are housing quantities of this highly dangerous commodity far in excess of the regulation amount allowed by law, and that in consequence an additional and serious menace to establishments of this character, and to adjoining property, is being presented. Unusual precautions must be taken to restrict and safeguard this new hazard.

THERE is very little doing during the sultry dog days of this month, and any subject to write about is a blessing to the sweltering editor who has copy to grind out. The "Life Insurance Gold Five Per Cent. Bond" has dropped like refreshing manna and is eagerly seized upon by many of our contemporaries as a matter worthy of serious consideration, and so they have amused if not edified their readers. The *Wall Street Journal*, an authority on finance, pretends to be alarmed and seemingly questions the ability of the life insurance companies selling such bonds to fulfill their contracts. Undoubtedly it does not understand the contract entered into between the company and the purchasers of the bonds. When it does it will see that the price at which the bonds are sold is sufficient to cover both the life insurance and the additional interest features. It is safe to assume that the actuaries of the great financial institutions will not recommend any class of contracts or policies that is not self-supporting and perfectly safe for both the company and the purchaser. That is why the actuaries are drawing salaries.

FROM the Census Bureau comes the reassuring intelligence that America's hold on life is growing stronger as time passes, and that the public health was ten per cent. better in the last decade than in the one ending with 1890. Pessimists who have been regarding with grave misgivings the intensity and compulsion of American business life, may now dismiss their apprehension and face the future with equanimity. These latest statistics show a marked decrease in ratio of deaths among the young, with scarcely a perceptible increase in that of the old. Fewer children are succumbing to the diseases that have always imperiled babyhood—partly because of an increase in scientific knowledge and partly because the infants of the last ten years have been sturdier and more healthy than their predecessors of the other decades. Improvements in sanitation and health regulations in towns and cities throughout the country have done much to bring about the present gratifying conditions. In the last ten years the average length of life in America has increased from 31.1 years to 35.72 years. In 1890 the death rate in New York State per 1,000 was 19.6; last year it was 17.9. In the cities of the State the death rate per 1,000 has been reduced in the last ten years from 23.2 to 19.2. The following data indicates the decline in the death rate of the leading cities of the country, the first figures being for 1900 and the second for 1890: New York, 20.4—25.3; Chicago, 16.2—19.1; Baltimore, 21—22.9; St. Louis, 17.9—17.4; Philadelphia, 21.2—21.3; Washington, 22.8—23.7; Boston, 20.1—23.4; Jersey City, 20.7—25.6; Buffalo, 14.8—18.4.

The panicky feeling in underwriting circles, causing the withdrawal of many important companies, the cancellation of "underwriters' agencies," treaty contracts and the suspension of many small auxiliary companies, is having its effects in increased business upon a company of the standing and repute of the National. There can be no question but that the latter class of agents are scrutinizing with more than ordinary care the condition, standing and possibilities of the companies represented by them, and every sign of weakness will inure to the companies of staying powers.

IN the above presentment George D. Dornin, San Francisco manager of the National Fire insurance company of Hartford, does more than exercise a grateful and refreshing optimism in a season of general gloom; he goes further, and indicates an impressive consequence of the prevailing inclination to quit under fire and seek safety in reinsurance cover. Such sentiments are peculiarly acceptable at this time, and should have wide and considerate attention. Not that there is anything especially novel in the idea of a reward for persistency and courage, and a proportionate penalty for timidity, but because the disposition to abstract consolation out of the law of average—the underwriters' very present help in time of trouble—is becoming uncomfortably rare. There appears to be little use in ding-donging this axiom into unwilling ears, or in pointing out that because the present season of disaster is, after all, only a season, no matter how prolonged, it must inevitably be succeeded by another era of good fortune. The virtue of stout heartedness is at once its own reward and secures both present and subsequent advantage. It is well for the managers to be conscious of sleepless inspection at the hands of their local agents, who are quick to detect symptoms of timidity and to be influenced accordingly. No one can criticise the agent, who has everything at stake, for protecting his interests by adhering as closely as may be to the companies that give best promise of weathering the stress and storm. Furthermore, it is both significant and encouraging to learn that managerial resolution is meeting with an immediate and substantial return.

I am a subscriber to twelve insurance journals. Why should insurance agents generally support these publications if they in turn will do nothing for the general good of life insurance? The insurance press is a power, and if the word were passed along the line that the * * * was going to

stop rebating, and sell insurance at 100 cents on the dollar, or the insurance press would know the reason why, the change would come so quickly that we might not believe it true. At the National Life Underwriters' meetings a little gathering of the insurance press is usually held; I shall look forward and expect something to emanate from that gathering of insurance journalists that the National Association has not been able to accomplish. I hope that you will interest yourself and see that this wholesale demoralization is stopped.

THE above extract from a letter recently received from one of our subscribers indicates zeal in a righteous cause. We agree with him in the high valuation he sets on the influence of the insurance press, but are unable to subscribe to all of his conclusions. Had he regularly read THE WEEKLY UNDERWRITER, with the enthusiastic attention he gives to the suppression of rebating, he would scarcely have been in position to protest that insurance journals "do nothing for the general good of life insurance." For years we have pointed out the grave evils of this nefarious practice; nor has this paper been alone among its contemporaries in such a crusade. To indicate and urge the suppression of rebating is the bounden duty of reputable insurance journalism, but it is also the limit of its province. Reform must originate, where charity begins, at home. The responsible officials in company offices are the only source of relief. Rebating is undoubtedly accelerated by the prevailing custom of paying agents high bonuses and commissions, and yet it must not be thought that the practice was unknown when bonuses were unheard of and commissions were a mere fraction of what they are to-day. Human nature being what it is, with agents as with managers, and the zest for volume continuing unsatiable at home offices, it is to be hoped our correspondent will not look with too rosy anticipation to the outcome of the insurance journalists' meeting at the national convention. The intelligent members of the insurance press can always be relied upon to contribute to the good of the business.

Facts and Opinions.

THE explanation made by the manager of the Atlas Assurance Company in New York of the recent report from the other side that negotiations were in progress between that company and the Phœnix of London, looking to the reinsurance of the business of the former, is that the negotiations have referred to the appointment of the general manager of the Atlas to a similar position in the Phœnix, with the result that the two companies would run on very close lines, but that there was any intention of sacrificing the individuality of the two companies, as was surmised from the reports, was not true. Mr. Lock, the manager for the Eastern States, has issued a circular to his agents in which he says:

Some uneasiness having been created by newspaper paragraphs affecting this company, implying its extinguishment by another company, I beg to assure you on the authority of cabled information direct from headquarters in London that the Atlas will neither be "absorbed," "taken over" nor "reinsured" (to quote expressions from the newspapers in question). The home office concludes its message with these words: "Our agents need feel no anxiety." It may seem unnecessary to trouble you with this statement, but the paragraphs having attained wide currency, I have thought it best to head them off. That a company of unblemished record, doing a continuously successful business for nearly 100 years, possessed of over $12,000,000 of cash assets at its home office, should be extinguished in the very height of its prosperity is, upon the face of it, ridiculous.

THE lumbermen of Canada, at a conference at Toronto last week, seriously considered a proposition to start an insurance company among themselves as a recourse from the high rates now being asked by the fire underwriters. The Toronto *Star* interviewed the leading insurance men of the city on this proposition, and, among others, secured the following intelligent opinion:

For years we have carried insurance in the lumber business at a loss. The lumbermen certainly have no reason to complain at the increased insurance rates, especially in view of the increase in the price of lumber within the past year or so, can they afford to be a little generous and allow the insurance companies to do a paying business after losing by them for so long. Prices in lumber must have increased 50 per cent. The increase in the insurance rates is nothing like in proportion to the advance in the price of lumber. These gentlemen should be fair. By referring to Government returns, anyone who wishes may see that the insurance companies have lost money for thirty years. The head men in England have grown tired of that kind of business, and they now tell us, "You must make us some money out of that country, or close up the business." You cannot blame them for taking that stand, and the lumbermen should be the last to complain.

THE tearing down of the old National Academy of Design at the corner of Twenty-third street and Fourth avenue, New York, has begun. The property was bought some time ago by the Metropolitan Life insurance company. As soon as the old academy has been demolished work will be actively begun to build an addition to the company's building, running from the present building at Twenty-third street and Madison square to the site of the Academy of Design building. It is expected that the building operations will consume at least a year and a half. It was reported on Thursday that an option had been obtained by the insurance company on the Madison Square Presbyterian Church, at Twenty-fourth street and Madison square, but that it would not be of any value while the pastor lived. An officer of the church, however, said that there was no truth in the report. Moreover, he said, the church had received a substantial endowment some time ago, which made it to a great degree independent.

ACCORDING to President Charles Counselman, of the Northwestern Steamship Company, the reason the much vaunted line of trans-Atlantic freight boats between Chicago and Liverpool has been discontinued is that the insurance rates were excessive. Mr. Counselman has been quoted as saying that there has been "an inexcusable discrimination" against his company by insurance men, and "as no shipping business can stand that, we have decided to draw out and devote our attention to the lake carrying trade until such time as we can secure fair treatment." Whether or not there has been such a discrimination as Mr. Counselman alleges, it is once more shown how powerful and indispensable a factor insurance is in the business world. The danger involved in the navigation of the St. Lawrence River by ocean-going steamers justified a high rate.

RATES on dwellings and preferred risks in Buffalo are being substantially advanced. In instances the increase will approximate 100 per cent. Property in the congested district—that is, between Mohawk and Washington streets and the lake—has been given special attention, and under the new schedule should yield an adequate return. Buffalo has not been in good favor with fire insurance men for the past three or four years for the reason that efforts to secure desirable rates have met with little success. Competition and rate cutting between board and non-board companies had depressed the price of insurance to a point where little profit could be expected. The present advance will have the effect of restoring conditions to a normal plane, and cannot be considered exorbitant.

THE fifth annual meeting of the Two Hundred Thousand Dollar Club of the New York Life insurance company was held at Manhattan Beach, August 20 to 23. Business meetings were had at the Oriental Hotel on Wednesday and Friday, and the banquet was held there Friday evening. Secretary John C. McCall,

who had arranged the program, deserves credit for the attractiveness and success of the meeting. There was much diversion and entertainment interlarded in the rounds of business detail, and enthusiasm for another year's successful campaign was general. The honorary guests were: John A. McCall, Darwin P. Kingsley, Edmund D. Randolph, Augustus G. Paine, Henry C. Mortimer, Rufus W. Weeks, Thomas A. Buckner, O. H. Rogers and E. R. Perkins.

In a circular to his agents relative to fall business J. L. Whitlock, Western manager of the Glens Falls insurance company, says:

Because of inadequate rates and bad practices some twenty-one companies have already retired from the field this year, and there are more to follow. The more thoughtful of your patrons will not be satisfied with anything but the best; you will find them willing to pay the reasonable rates charged by the Glens Falls. In any case where you cannot obtain our rate, we would prefer not to have the business, as both you and the company will be better off without it in the long run. We are deeply grateful to our agents for their almost unanimous support in standing for fair rates and fair practices, and now that so many of our competitors have passed away and others are soon to follow, you will begin to reap the reward that is sure to come to those who do well, not being influenced by competitors who prefer to do those things that lead to destruction.

The United States Fidelity and Guaranty Company of Baltimore comments as follows on the work of inspectors:

Inspectors for surety companies are the repositories of many secerts that could easily blast fair reputations. The companies do not consider it their duty to be necessarily punitive, and are chiefly concerned with protecting themselves and their assured from financial loss. If a man goes wrong, and they find it out, they are always ready to hush it up, provided he or his friends make good. Only when an embezzler tries to be ugly and makes too much trouble are they disposed to let the papers get hold of the case. An inspector of long experience says that 90 per cent. of the cases he handles are never known outside of a few people. He keeps close track of the wrongdoer, however, for he says that a man who steals once will steal again if he has a good chance. In a recent week one Chicago inspector settled four cases of embezzlement without any becoming public. One ran up to $18,200, but the thief settled in full and paid all expenses.

A New Haven, Conn., news paragraph says that "Fifteen well-known business men of this city, all of them policy-holders in the Hartford Life insurance company, have just organized a Life Insurance Policy-Holders' League, that is to include not only policy-holders of the Hartford Life, but policy-holders of all other life insurance companies. The objection to the Hartford Life insurance company, as set forth by the organizers, is that the assessments of the policy-holders are unjust and unequal; that they do not have proper and full information regarding the standing of the company, and that as individuals they have failed to receive that consideration to which they think they are entitled. The president of the league is George K. Kilborn."

Chicago is trying to have an inner circle, after the style of Cincinnati's. Some of the leading local agents, controlling the largest lines, have found them slipping away, undoubtedly under the tension of rebates or division of commissions. They propose to organize an agreement that when a lost line looks as though it had been unduly influenced they will not permit the policies of their companies to be issued upon it except at full commissions and as direct business. Since the proposed membership represent nearly all the large companies, they can exert a great influence, especially in the present stringent condition of the insurance market. Members are to put up $500 as a forfeit, and the majority is to rule.

Owing to trouble over the lines of the school buildings at Minneapolis, rates have been thrown off by the inspector, and the Norwich Union has captured all of the line not already placed at 33⅓ cents for three years. The New Hampshire and other non-Union companies contracted to write lines on each of the buildings at 1 per cent. for three years. The inspector agreed to meet these rates, provided all the business was placed with companies then carrying the line. Companies continued losing their lines, and on the statement of the school board that it understood that the lines were to be renewed with board companies rates were thrown off and the Norwich Union secured the line.

Vice-Chancellor Stevenson of New Jersey has ruled that Mrs. Nettie Hamilton Quinn, wife of the proprietor of the Empire Hotel, is entitled to collect the $26,400 of insurance on the Allenhurst Inn, which was burned July 1, and from which collection the Coast Land Improvement Company sought to restrain her. Mr. Quinn bought the Inn in February last from the plaintiff, making a partial payment and giving the Improvement Company a mortgage for $4,500. The latter still had $32,500 of insurance on the property, and $30,000 more was taken out in Mrs. Quinn's name. The Improvement Company's contention was that its insurance should be paid from the amount awarded Mrs. Quinn.

The receiver of the Covenant Mutual of Galesburg, Ill., afterward absorbed by the Northwestern Life and the Mutual Reserve Fund in turn, is in Canada trying to save something of its deposit there. This was $53,000, but the Canadian Governmnet allowed Canadian claimants to file against it to the full amount of their claims, ignoring all liens, etc., which the Northwestern had sought to impose, and as there were $40,000 in claims this did not leave much. Then the Government undertook to liquidate the company, and charged the costs of that against the deposit, so that Mr. Goodrell may be lucky if he gets enough to bring him home.

On Saturday last W. H. Douglass, of Philadelphia, who had been arrested the day before in a suburban district of Boston on the charge of having embezzled $13,000 from the Guaranty Trust and Safe Deposit Company of Philadelphia, was arraigned in the Municipal Court and held in $15,000 for the grand jury. On Monday, however, he was discharged by the court upon agreeing to return to Philadelphia without a requisition, but was rearrested the same day and taken to Philadelphia. He had been assistant receiving teller of the Guaranty Trust, and was bonded by the United States Fidelity and Guaranty of Baltimore.

An insurance department has been established by the merchants' associations of Pennsylvania with the object of carrying their own risks and incidentally saving, as a York City, Pa., daily puts it, "the expenses of local and general agents and the princely salaries that are paid to the officers of the big insurance companies." Just what proportion of those "princely salaries" will be affected by the deflection of this business our contemporary saith not, but we apprehend that under the white light of a possible series of losses these managerial workmen will appear well worthy of their hire.

Having spent several days in Chicago taking depositions from fire insurance managers with a view to establishing the charge of violating the anti-trust laws of Kansas, County Attorney Galen Nichols, of Topeka, and David Mulvane, counsel for the companies, have returned West. Eleven depositions were secured, which, with the five taken recently by D. R. Hite, make a total of sixteen individual testimonies. It is said that the evidence so far produced is of a character to discourage the companies' assailants, and to rather support the contentions of the defendants.

It took hard knocks to teach our townsman, Mr. August Schwartz, the value of good insurance. He was burned out on

April 17, and has been prodigiously active ever since in an effort to collect indemnity from such worthies as the Commercial Fire insurance company of Wilmington, Del.; the Washington insurance company of Washington, D. C.; the Germania Fire insurance company of Chicago, etc. How he came to escape the attentions of "Deacon" Lowell, of Chicago, is an exasperating puzzle.

THE man Klayer, who is pursuing the Ætna insurance company, laid certain papers before Insurance Superintendent Yates, of Illinois, and demanded that he should revoke the license of the company to do business in that State. The superintendent promised to render his decision on August 16, which he did, denying the request of Klayer, stating that the revoking of the license of such a company on such charges was a very serious matter and one that should be determined by the courts. Klayer's lawyers are now preparing mandamus proceedings.

As a result of the senseless determination of Texas' new Secretary of State, John G. Todd, to make the insurance companies' anti-trust affidavits extra-territorial, and also to require a home office signature from foreign companies, an exodus from the Lone Star State is imminent. The Royal Exchange Assurance has withdrawn, and others are likely to follow. A penalty of from $200 to $500 is assessable on the companies for each day since August 1 that the affidavits have not been on file.

A NUMBER of managers are said to be objecting to the use of the word "permanently" in the following clear space lumber clause recently approved by special agents in the South:

Warranted by the assured that lumber will not be permanently piled within 200 feet of the sawmill; but this shall not be construed to prohibit loading or unloading within or the transportation of lumber or timber products across such space; it being especially understood and agreed by the assured that any violation of this warranty shall render this policy null and void.

THE convention at Denver of State Commissioners for the Promotion of Uniform Laws in the several States considered and indorsed a bill "For a uniform insurance law providing that no statement of the assured shall invalidate a policy unless it is material to the risk or made with intent to defraud, and that any provision in a policy intended to deprive the insured of the benefit of a jury trial shall be void." The act is to apply to fraternal as well as other insurance companies.

TENANTS of the Chicago fireproof buildings are reported to be cancelling their insurance rather than renew at the increased rates. The board admits that the schedule does not apply equitably in all cases, says our Chicago correspondent, and is already making modifications. While rates are increased, tenants are being notified that they can reduce them 20 or 30 cents by taking out benzine, putting in elevator hatchdoors, adding fireproof shutters, etc.

THE Insurance Directory of Greater New York, Newark, Elizabeth, Jersey City, Bayonne and Hoboken for 1901-2 has been published by the *Insurance Record*. This directory, now in its twentieth year, has been remodeled, improved and greatly enlarged. Indeed it is as large and handsome now as any other directory of the same kind. The contents appear to be all right, too. We congratulate Colonel Sommers on his spurt. Competition is the life of trade.

THE discovery that smokeless powder in considerable quantity is being stored without permit in a number of Chicago's largest mercantile buildings has greatly exercised the fire underwriters of that city. Forty pounds of the powder were found a few days ago on an upper floor of Montgomery Ward's new building on Michigan avenue. The fire chief notified the firm that his men would not be allowed on the premises until the powder was removed.

THE Insurance Report's Directory of Colorado, Wyoming, New Mexico, Utah, Montana, Nebraska and Kansas really fills a want very long and strongly felt. It is all that a directory of the insurance business in the States and Territories covered should be, and nobody doing insurance business therein can afford to live without it. The Directory is published by the Insurance Report Company, Denver, Col. Price $2, bound in cloth.

A SPECIAL dispatch from Nashville to the *Journal of Commerce* says that Insurance Commissioner Folk has given notice to twenty-four fraternal orders that they must cease business in the State or at once conform to the uniform fraternal laws passed at the last session of the Legislature. Thus far only seventeen fraternals have complied with the law, although emphatic notices were sent to all of them June 14.

Read "the *Record*," the only real, live monthly paper published in this country.—*Insurance Directory Published by the Insurance Record.*

Far is it from our desire to make trouble in the journalistic family, but we would like to know what the *Insurance Monitor, Vigilant, Views, Argus, Coast Review, Insurance Report, Intelligencer, Thrift* and other able and esteemed monthly contemporaries have to say about the above.

ONE F. W. Taylor, a Chicago unknown, yearns to organize a fire insurance company, and is sending out circulars as follows:

DEAR SIR—Organizing a fire insurance company with $200,000 capital, desire parties who are willing to invest for any amount from $500 up who would take agencies or office positions. If you have funds, first real estate mortgages or national bank stocks, and feel inclined to connect yourself in this manner, call upon me any day this week between 5 and 6 o'clock at 4227 Wabash avenue.

THE Canadian Life Insurance Association, Limited, has been incorporated in Toronto, where it will have its headquarters. It is projected with the object of advancing the interests of life insurance companies in Canada by promoting a uniformity of administrative methods, opposing hostile legislation, etc. Its capital stock of $2,000 is divided into forty shares of $50 each.

THE North Carolina Underwriters' Association, in convention at Wrightsville Beach, August 15, elected the following officers: President, C. F. Harvey, of Kinston; first vice-president, R. W. Murray, of Greensboro; second vice-president, J. P. Allbright, of Burlington; third vice-president, W. J. Griswold, of Durham; secretary and treasurer, J. Van B. Metts, of Wilmington.

THE Insurance Commissioner of Minnesota has asked for a receiver for the Lincoln Life and Accident Insurance Association of Minneapolis. From the fact that twenty-one new members have joined since January 1, but 163 have dropped out, it would appear that everything is not going smoothly with the Lincoln.

A SUB-LEASE of the building at 42 Cedar street, that has been occupied by the American Fire insurance company of New York, and which they had leased from the Continental insurance company until 1906, has been taken by the Eagle Fire company. The new tenants will occupy the entire building, and will take possession about September 1.

STILL another example of the unfailing beneficence of life insurance has been supplied in the case of Capt. Henry W. Howgate, of the District of Columbia, whose recent death revealed

the fact that his sole estate consisted of a life insurance policy for $2,000. The premiums had been paid by the captain's daughter for twenty years.

SUIT has been brought against the supreme council of the American Legion of Honor by Dr. Henry C. Hull, of Boston, for breach of contract in having amended its by-laws, August 21, 1900, so as to limit its line on individual lives to $2,000. The doctor was written by the order for $5,000 in 1887, and asks $6,000 damages because this sum has been reduced.

NEW YORK is likely to have two strong candidates for the presidency of the National Association of Life Underwriters—Philip H. Farley, of the Mutual Life insurance company, and Col. John A. Goulden, of the Penn Mutual Life insurance company.

"How happy could we be with either,
Were t'other dear charmer away."

THE conditional application which Simon Sturm made for membership in the Cincinnati Underwriters' Association has been returned to him at his own request. It is believed that this course will cost him the agencies of the Northern insurance company and the Phœnix Assurance Company of London.

LOCAL agents in Iowa have asked for an opinion from the Insurance Department as to the legality of organizing a State branch of the National Association of Local Fire Insurance Agents. Anything that remotely resembles a "combine" is under suspicion from its inception in Iowa.

THE Endowment Rank of the Knights of Pythias has begun nine or ten suits at Chicago against its former officers to recover money or property, which it claims they unlawfully diverted. Suits have also been begun against them in the Pythian tribunals to expel them from the order.

THE Knights of Columbus decided at their recent convention in Cliff Haven, N. Y., to adopt the "step-rate" five-year term plan of insurance. Its rates will now be advanced, and a monthly assessment of 30 cents levied to take care of the death benefits of members now past sixty-five years.

THE Preferred Accident insurance company has produced a new policy, which it styles "The Life Annuity." At an annual premium of $15, an annuity of $10 a week is given the beneficiary for accidental death, loss of both eyes, both hands, both feet, or one hand and one foot.

A DECISION has been handed down by Judge Wing, at Cleveland, directing the county commissioners to pay the judgments secured by the New York Life insurance company and the New England Mutual Life insurance company for non-payment of the Central Armory bonds.

THE North Eastern Indemnity Corporation, a small fraternal of Lowell, Mass., has voted to discontinue business, and the Insurance Commissioner last Saturday reported the fact to the Attorney-General. It is believed that the society is able to meet all just claims.

PHILADELPHIA is likely to have a Tarrant experience as a result of the recent Locust street explosion. Patrick Quigley, whose grocery store, with four other buildings, was destroyed at the time, is threatening suit for the recovery of the insurance.

IT was altogether appropriate and logical that Max Cohen, of *Views*, should receive first attention among the eligibles for the newly created post of Insurance Commissioner of the District of Columbia. It is to be hoped he can be prevailed upon to accept.

THE new Insurance Superintendent of Missouri is warning the public against the Western Consolidated Underwriters of Chicago, a Lloyds conducted by Littlefield & Co., which is not licensed in the State, but is flooding it with its literature.

To date the fire underwriters of Evansville, Ind., have experienced little discomfiture on account of the Northwestern National's rate war. The members of the local board are presenting an unbroken front and do not anticipate any great difficulty.

THERE is a familiar sound to the following, from the Galesburg, Ill., *Mail:*

The Monmouth Farmers' insurance company had a $2,800 loss to pay on account of firecrackers. And now they intend to pass a resolution refusing to pay losses where the cause is firecrackers.

THE city council of Leavenworth, Kan., carries life, accident and health insurance policies on all the city firemen, and pays the premiums out of the firemen's fund provided by the 2 per cent. tax on insurance premiums. The policies expire August 27.

COMMENTING on the proposed 50 per cent. reduction of insurance on city property by the city council of Chattanooga, a local agent of that city has estimated that the move will result in a saving in premiums of just 60 cents a day.

AN electrical surveyor has been employed by the Texas Fire Prevention Association, and the companies are asked to contribute two-tenths of 1 per cent. of their annual premiums for his support. The assessment amounts to $8,000.

ACCORDING to statistics compiled by German insurance authorities a workman is seven times more liable to accident than a workingwoman. Differences in employment and the greater recklessness of men create the distinction.

A NEW blue book of the New England Insurance Exchange is to be published next month, and at three-yearly intervals thereafter. Supplements will be issued during these intervals in order to keep the information up to date.

INCORPORATED agencies are increasing in Ohio. The Alexander Agency, with a capital of $30,000, and the Insurance Agency Company, with a capital of $20,000, have been organized at Canton.

BROOKLYN fire insurance premiums during the first six months of 1901 aggregated: Local companies, $513,061.98; foreign companies, $486,307.47; agency companies, $401,179.67; total, $1,400,549.12.

A COMPANY to insure live stock at 2 per cent. for the first year, 4 per cent. for three years and 6 per cent. for five years has been organized at Denver, Col., on the mutual plan.

A GLASGOW cable dispatch of Thursday says: "The International Law Association is trying to secure a code of uniform insurance laws for America and Europe."

INSURANCE against hail storms is losing ground in those portions of Southern Europe where "cannon stations" for breaking up the storm clouds have been established.

THERE is trouble brewing for the Susquehanna Mutual Fire insurance company of Harrisburg, Pa. More than one hundred of

its policy-holders in Berks County alone have combined to resist payment of its high assessments.

THE receiver of the defunct Minneapolis Fire and Marine insurance company contemplates instituting no less than 500 suits to compel the payment of assessments.

THE Wisconsin Accident and Sick Benefit Association has been organized at Green Bay, Wis., and proposes beginning to write business by September 1.

AN investigation of the rate increase in Kansas City is threatened by Thomas H. Wagner, the new Superintendent of Insurance for Missouri.

IT has been held by the Superior Court of California that school buildings may not be insured in mutual fire insurance companies.

AN investigation of the Potomac Life insurance company of Washington, D. C., is being made by District Assessor Darneille.

INSURANCE Commissioner Shober, of South Dakota, has admitted the Union Casualty and Surety Company of St. Louis.

THE Security Life and Annuity Company, a new one at Greensboro, N. C., is to begin business in a few weeks.

THE German Fire insurance company of Peoria, Ill., is preparing to erect a home office building in that city.

THE National Surety and Guaranty Company of Philadelphia has been licensed to do business in Kentucky.

IN spite of the heat, "Insurance Men's Day" at the Pan-American is said to have been a "frost."

A FRATERNAL order, to be known as the Bearers Reserve Fund, has been organized at Stoughton, Wis.

THE Ohio Grain Dealers' Mutual Fire insurance company has been organized at Columbus.

MISSOURI has issued a license to the Pacific Surety Company to do a plate glass business.

Personal

AGENCY APPOINTMENTS.

Colonial Fire, New York: W. Bennett Gough, sole agent for Philadelphia.

Farmers Fire of New York: E. A. De Forest, transferred from Chicago to home office as general agent.

Farmers of York: Thomas N. Enright, Pittsfield, Mass.

Germania Life: E. A. Nelson, manager for Eastern Pennsylvania.

General Accident: Adolph Loeb & Son, Chicago, general agents.

Home Life: I. R. Stevens, general agent for Southern New York, with headquarters at Ithaca.

Home Life: George H. Gosman, general agent in New York city.

Manhattan Life: Harry May, general agent for Missouri.

Massachusetts Mutual Life: H. C. Colton, of San Francisco, manager of the Pacific Coast department.

Mechanics' and Traders', New Orleans: J. J. Coffey & Co., Chicago, Ill.

National of Hartford: Charles S. Hill, special agent for Colorado, Wyoming, Utah and New Mexico.

Phenix of Brooklyn: John A. Kelly, Portsmouth, N. H., special agent for Maine, New Hampshire and Vermont.

Springfield Fire and Marine: H. Grinnell & Son, Grand Rapids, Mich.

State Mutual Life: Mrs. E. Baker, Cleveland, Ohio, manager woman's department.

Sun Life of Canada: T. Z. Replogle, Altoona, Pa.

United States Fidelity and Guaranty: E. E. Shipley, of Cincinnati, manager for nine counties in Ohio and Kentucky.

Mr. James D. Pratt has been appointed general agent of the Manhattan Life insurance company for Philadelphia and vicinity, succeeding the firm of James B. Carr & Son, who were the first agents of that company in Philadelphia, and represented it for almost fifty years. Mr. Pratt is very prominent in the business, social and club circles in Philadelphia, and before contracting with the Manhattan was engaged in the surety business, representing the United States Fidelity and Guaranty Company.

Mr. Ralph Price Hardy, the distinguished English actuary, who has recently been studying life insurance methods in this city, was entertained in Toronto, Canada, last week by Managing Director William McCabe, of the North American Life Assurance Company of that city. Mr. Hardy informed himself on life insurance as it is done in Canada, and left on August 17 for Sydney, New South Wales, stopping over at Chicago en route.

Mr. Richard V. DeWitt, formerly secretary of the Commerce insurance company of Albany, and afterward of the Albany insurance company, died in that city on Thursday, aged sixty-nine years. He retired from the insurance business some years ago and was afterward Fire Commissioner of Albany. Mr. DeWitt was a prominent member of the Society of the Cincinnati in the State of New York.

Mr. T. J. Hendrick has been appointed general manager of the Manhattan Life for the District of Columbia and the State of Virginia in succession to his late father, David S. Hendrick. He is one of the youngest men in the business, and was associated with his father two years.

Messrs. Weed & Kennedy, of this city, have resigned the management of the Metropolitan District of the Phœnix Mutual Life insurance company of Hartford, which they have held for the past two years, and will be succeeded by Mr. William C. Johnson.

Mr. George H. Allen, of Boston, will resign the supervision of the New England department of the Manchester Fire insurance company on November 1, and the work will then be continued by Mr. William B. Medlicott, of Springfield.

Mr. W. J. Greenwood, of Indianapolis, who has been connected with the Northwestern Mutual Life insurance company for the last five years, becomes general agent of the Home Life insurance company of New York for Indiana.

Mr. Harry Walter Hutchins has resigned the Cincinnati general management of the National Life insurance company of Vermont to accept the position of general manager of the Young Men's Mutual Life Association of that city.

Mr. George E. Keeney, president of the Hartford Life insurance company, has the sympathy of many friends on account of the death of his father, Rockwell Keeney, on August 11, at Somersville, Conn.

Mr. J. M. Hilton, until recently a special agent of the Lancashire in Illinois, has been appointed to an examiner's position in the Western department of the Phenix insurance company of Brooklyn.

Ex-Insurance Commissioner Henry H. Stevens, of Michigan, secretary of the Ideal Reserve Association of Detroit, has had a difficulty with the general manager of the concern and is out of it.

Mr. Herman S. Platt, of Baltimore, a director of the Firemen's insurance company of that city, has been nominated for State Comptroller by the Republicans of Maryland.

Mr. Joseph M. Kertz, former secretary and later president of the Erie Fire insurance company of Buffalo, has taken a special agency of the Travelers in that city.

Mr. Morton P. Jaquith, insurance agent at Detroit, Mich., died at a hospital in that city on August 15 from an intestinal obstruction. He was fifty-nine years old.

Messrs. L. C. Lawton & Co., managers for the Mutual Life insurance company for Ohio, have tendered their resignations, to take effect January 1, 1902.

Mr. Walter Parker, of the New Orleans *Times-Democrat*, succeeds Mr. W. H. Underwood as editor of the *Vindicator*, of New Orleans.

Mr. John Duer, of this city, one of the United States trustees of the Phœnix Assurance Company of London, died last week.

Mr. Charles W. Kellogg, of Boston, Eastern manager of the Fireman's Fund insurance company, has returned from Europe.

Mr. Oscar Konig, general manager of the Equitable Life Assurance Society in Hungary, died at Budapest July 16.

Mr. Herman Le Roy has resigned the New York agency of the State Life insurance company of Indianapolis.

Mr. Franz Schaefer, director of the Magdeburg Fire insurance company of Prussia, has returned to Europe.

Mr. J. A. McEwen, who succeeded Actuary Fitch in the Indiana Insurance Department, has resigned.

Mr. George A. Cox, president of the Canada Life insurance company, has returned from Europe.

Miscellany.

Death of John J. Janes.

John James Janes, of the Chicago local agency firm of Moore & Janes, died of pneumonia at the Calumet Club, Chicago, Monday night. He had been ill but two days, and his sudden death was entirely unexpected. Mr. Janes was one of the most widely

known and best loved fire underwriters of the West. He was sixty-eight years of age, and had been engaged in fire insurance in Chicago for more than a half century. He was secretary of the Globe insurance company, that existed before the fire of 1871, and had been associated in the local agency business with S. M. Moore for thirty-five years. He was one of the original organizers of the Chicago Fire Insurance Patrol, was a charter member and the secretary of the Commercial Club and a member of the Chicago and Calumet clubs. The Chicago Underwriters Association adopted resolutions of sorrow at his death, and was largely represented at the funeral, which was held on Wednesday. The body was taken to New York for interment.

At a meeting of fire underwriters held at the Grand Pacific Hotel on Wednesday, at which George W. Montgomery presided, the following memorial was unanimously adopted:

In his chosen business he was a marked man. Possessed of calm and deliberate judgment, he was sober minded and sure in his conclusions, without sternness or severity. He was successful in his business; his was a success that left no hurt, and he never forced himself upward by crowding others down.

In evil days when the air had been full of crimination and recrimination no breath of accusation ever reached him, and it was as refreshing as a cooling shower to hear expressions as to his loyalty and his integrity in the midst of general mistrust and suspicion.

He was an insurance man first, last and always. Many of his ideas have been wrought into permanent institutions which remain with us a safeguard to the companies and a benefit to the community at large.

The Annual Meeting of the National Association of Life Underwriters.

The official announcement of the annual meeting of the National Association of Life Underwriters at Portland, Me., by Secretary Fred B. Mason, is as follows:

The twelfth annual convention of the National Association of Life Underwriters will be held at Portland, Me., on September 11, 12 and 13 next.

The convention will open at 10 a. m on Wednesday, September 11, and delegates are earnestly urged to attend punctually. As previously notified, the afternoon sessions of the first and second days will be devoted to five-minute discussions of vital topics, in which, it is hoped, the delegates generally will participate. At the close of the afternoon session on Thursday the local association will entertain the delegates at Cape Elizabeth, where a shore dinner will be served at the Casino. On the afternoon of Friday the delegates will be the guests of the Union Mutual Life insurance company of Maine, which, through its officials, has provided for a steamboat ride around Casco Bay. The banquet will be served at the Falmouth Hotel on Friday evening, September 13.

The headquarters for delegates will be at Falmouth Hotel. The hotel rates will be $3.50 per day for room without bath, and $4.50 per day for room with bath; American plan only. Rooms may be secured in advance by corresponding with the hotel. Through the courtesy of the city authorities the sessions of the convention will be in the reception room of the City Hall.

The determination of the time and place for the succeeding annual convention will be by ballot during the sessions.

In order to avoid the confusion incident to the collecting of credentials during the opening session, the delegates are requested to hand their credentials to Mr. Fred O. Paige, chairman of the committee on credentials, at the hotel, either Tuesday evening or Wednesday morning. Badges may be obtained from the reception committee, or from the secretary.

Return tickets are promised at one-third rate to delegates and ladies accompanying them who shall arrive and return by rail. In purchasing tickets delegates should obtain a receipt from the selling agent and hand same at Portland to Mr. J. W. Fitzpatrick, of the committee on transportation.

Attention is also called by the secretary to the matter contained in the following circular to delegates and alternates, previously issued:

At the convention of the National Association last year at Saratoga a part of one afternoon was very profitably devoted to the discussion of a live topic relating to the business of life insurance. This feature was so successful and satisfactory as to make it a matter of regret that no more time could be given thereto. At the coming convention in Portland, which will extend over three days, it is proposed to devote the afternoons of the first and second days to such discussions. Each speaker will be limited to five minutes, thus affording opportunity for all who may desire to engage in the discussions. The following topics are offered by way of suggestion merely and without any design to exclude other relevant subjects which delegates may wish to bring forward.

The best means of securing responsible and good agents.
Does advertising life insurance pay?
At what point should competition for a risk cease?
Do printed comparisons as to the respective merits of companies help or hinder solicitation?
Under what conditions should association members seek to secure the service of men already employed by other companies?
How should solicitors be so educated and encouraged as to insure their success?

It is earnestly hoped that the delegates and alternates will give their best thought in advance to these or other vital themes and be prepared to speak upon them.

Non-Participating Policies.

(*President James G. Batterson, in the Travelers' Record.*)

We are informed that the Northwestern Mutual Life insurance company has decided to write no more non-participating policies. We are glad to hear it. The selling of non-participating policies by mutual companies is contrary to the whole spirit of mutuality. We believe it violates the charter rights of the companies, is a discrimination against the mutual policy-holders and is invalid. Even if valid it would remain none the less a discrimination, inasmuch as it makes the mutual policy-holders responsible for a contract whose lower premium constitutes a guaranteed result and protects its owner from any chances of assessment. Some time ago we printed the decisions of the highest court of France declaring that the selling of non-participating policies by a mutual company was contrary to the principles and rights of mutuality and declaring such contracts invalid. Several of the States of this country prohibit the practice by law. The Mutual Benefit of New Jersey is the greatest offender in this matter, contrary to the letter and spirit of its own charter, and we believe that all non-participating policies issued by it are invalid and will be found so whenever any of its mutual policy-holders shall feel himself enough aggrieved or injured to take the question into court for adjudication.

Both policies have their use; the non-participating policy is a purely insurance contract, the participating policy is a combination of insurance with speculative investment; the one is guaranteed in its results, the other is contingent in its results on the profits of the company. It stands to reason that the officers of a mutual company infringe the whole principle of mutuality whenever they make the members of the mutuality responsible for any guaranteed results to non-mutual members.

Fraternalism Officially Rebuked.

In his annual report, just published, Superintendent of Insurance Henry Yates, of Illinois, describes fraternal insurance as it is practiced in his State and comments upon it as follows:

The statements of the ninety-nine societies included in this report show that over 500,000 citizens of this State are members of fraternal societies. These 500,000 citizens have sought to provide some measure of protection for their families against the time of their death by becoming members of these societies. They are paying their assessments and thus contributing their share for the benefit of the families of those who die before them. They are entitled to have such guarantee as it is possible for the law to give that at the time of their death their dependents will receive like protection. The State has by statute required these societies to report annually their condition and transactions to the department, and has enacted certain regulations for the government of their business. But these laws are inadequate for such measure of supervision as looks to the ability of the society to fulfil its obligations in the future. There is not even a test of present solvency established. A society encounters no obstacles in the statute to delaying the payment of claims and permitting an amount of unpaid losses to accumulate until so large that it is beyond the ability of the members to respond to assessments necessary to meet them. No emergency fund is required to be maintained, to be drawn upon under such circum-

stances. In many cases rates so low were adopted at organization as to lead one to conclude that the law of mortality was construed as containing an exemption applicable to fraternal societies. A reluctance to encounter the criticisms and vexations liable to follow a raise of rates or an increase in assessments causes the managers to put off this necessary action, and in the meantime the amount of unpaid death claims continues to grow. This condition was strikingly illustrated during the year by the failure of one of the largest societies in this State, resulting in serious loss to the claimants at the time of failure and disappointment in the protection they expected to receive.

An Acetylene Gas Explosion Investigated.

Mr. F. E. Cabot, assistant secretary of the Boston Board of Fire Underwriters, has made an investigation of the explosion of acetylene gas in the house of Mr. James Means, at Smith Point, Manchester, Mass., which occurred on the evening of July 25, and reports to Secretary C. M. Goddard, of the New England Insurance Exchange, the following conditions and conclusions:

I examined the premises with Mr. Gardner, of the J. B. Colt Company, on Tuesday, after the accident, and while we were not able to fully uncover the generator, it was at that time our impression that the screw which holds down the cap directly over the carbide feed had not been seated tight, thus allowing gas to escape round the cover at this point. Since, however, the machine has been dug up from the ruins, and it is now acknowledged by the Colt Company that this screw was screwed down to a point which would make the cover tight, supposing the rubber gasket had been in place, and they believe that the gasket was there and in satisfactory condition.

The facts so far as necessary for the explosion of the gas seem to be about as follows: During the evening, somewhere about 7 o'clock, and while Mr. Means and his family were at dinner, the lights went out. Mr. Means went down to the cellar, where the machine was located, to recharge the machine with carbide, and took with him a small dry battery electric light, which, however, he says, did not work satisfactorily, and most of his operations were performed by such light as came in from the moon through the cellar window.

In the construction of the type J and K Colt machines, the carbide holder and the top of the generator are removable by lighting and the joint is protected by water seal. The water which forms this seal is, however, mostly drawn off every time the generator is emptied for the purpose of removing the exhausted carbide, and it is fair to assume this was the case when Mr. Means recharged his machine. The only seal is about 1½ inches, or possibly 2 inches, deep, and is not intended to resist any considerable amount of pressure, but simply employed to prevent the escape of the small amount of gas which might be left in the generator. The generator in question held about 50 gallons of water, and should have been filled until the water appeared over the top of the carbide holder around the edges of the containing part of the generator, but it is possible, and, in fact, I fear probable, that Mr. Means did not wait until the water appeared at this point before allowing the generator to resume operations, and the small 1½ inch or 2 inch seal was easily broken and the gas escaped through the space between the carbide holder and the sides of generator. I understand that Mr. Means admits that he did not see the water around the edges of the carbide holder, and also that he says that no water was forced out on to the floor, although the gas appeared to be "gurgling up" round the sides of the carbide holder in the generator, which would be exactly what would take place, supposing the small seal heretofore alluded to had been overcome by pressure of gas inside. It requires a pressure of 4 inches of water to start the gasometer or gas holder into operation, and therefore it is likely that little or no gas went into this holder, and there was no opportunity for the holder to rise and shut off the supply of carbide.

If the water had been allowed to go into the generator up to the proper level, it would have been necessary to spill out at least 25 gallons on the floor before any gas could escape in this way, and to overcome a water seal of at least 13 inches in depth, while there are at two other points of the machine water seals which were connected to the proper escape pipe, which would have conducted gas outside of the building.

Mr. Means is of the impression that he was working about the machine some fifteen or twenty minutes, but there is no correct record which would tell exactly what time he did actually use. As to his not noticing more sharply the smell of the escaping acetylene, I would say that there was a window open on the southerly side of the house, through which quite a strong breeze was probably blowing the gas directly into the kitchen, where there was a stove and a light burning, and that, in my opinion, the explosion was caused from the gas which was thus carried into the kitchen and lit from the flame which there existed.

It seems possible to overcome the danger which has been shown to exist in this particular case by increasing the water seal around the edge of the carbide holder part of the generator to 6 or 7 inches, which would be more than the pressure required to operator the generator. If this were done, and I am informed that it can be done without material increase in the price of the machine, the flow-off in the gasometer and at the bottom of the gas holder part of the machine would both have operated before the gas would have leaked out around the edges of the generator. I have described above, and I would strongly recommend that all acetylene gas generators of the carbide feed type be re-examined, with a view to seeing whether similar protection is not needed in them all.

Managers and Their Directors.

(*The Daily Telegraph, London.*)

The contemplation of the methods of insurance in vogue in England and America leads to some curious reflections, first, as to the magnitude of business transacted, and secondly, as to the means employed in obtaining business. As a primary consideration, let us deal with the difference in the carrying on of the life and fire insurance business in both countries. Now, while it is a well-known fact that the three great American life offices have been established here for a great many years, and are doing a very large business in our midst, it is equally well known that British fire offices are similarly successful in the United States.

In the first place, without going into exact figures, we may say that there are, roughly speaking, more than twice as many fire offices doing business in the State of New York alone than there are in the whole of Great Britain. On the other hand, there are less than half the number of life offices in the State of New York than there are in Great Britain. The British fire offices flourish amazingly, transacting an enormous business all over the world; in fact, thirty-six foreign fire offices, principally British, have, from the date of their entry into the States up to the end of last year, drawn in premiums a total amount of £145,000,000 sterling, on which the average percentage of loss to premium income is 61.5 per cent. British life offices, however, do not find it possible (it is not even considered worth contemplating) to invade the United States after the manner of the British fire offices. American fire offices, on the other hand, have been singularly unsuccessful in establishing branches in England, and those small agencies which do exist here are principally occupied in taking over reinsurances, but they really do not figure or count at all in the fire insurance business of Great Britain.

Here is a problem which requires a little consideration. Why can British fire offices flourish in the United States, while our life offices cannot do business there? And why can three great American life offices extract a—comparatively speaking—large percentage of the life assurance business of Great Britain, while the American fire offices are conspicuous by their absence? We know the generally accepted solution, namely, that the rate of interest is so much higher in the States than here that it does not pay investors to put their money in fire insurance shares, and, therefore, American offices have to put up with British competition over there. Hence it is sometimes argued that the American life offices have done so well in this country owing to the same reason, i. e., the average high rates of interest in the States. But we may point out that these conditions are gradually becoming equalized, and that the superiority of one country over another with regard to the rate of interest on money invested is rapidly disappearing before the influence of the cable and the closely allied moneyed interests on both sides of the Atlantic.

There is another reason, and one which, we think, has never been suggested before. We refer to the management of a company. In the conduct of the life assurance business, in Great Britain more especially, every individual director thinks himself competent to judge of the business submitted to the company for approval and acceptance. He is unconscious of the fact that he is exposed to the secret ridicule of his actuary when he talks of tables of mortality, and that he is marked out for criticism by the doctor, whose analysis of the state of health of a would-be insured is dutifully laid upon the board room table. The professional staff, in fact, unite in one thing, and that is in consider-

ing if the directors stayed away together, leaving a strong financial committee to administer the funds of the company, it would be very much better for the prosecution of business. The manager of a British life office, in fact, is tied hand and foot by the inertia and want of technical knowledge of his board, the members of which, knowing nothing, affect to control the business.

Coming to the fire business of British offices, the directors are not on such sure grounds. They are obliged to let the manager act for himself to an almost uncontrolled extent and judge by results. The consequence is that the manager of the fire department of a British fire insurance company feels (except in some notable cases of large offices, which seem to manufacture fire managers for other companies to take over) practically free to act according to his discretion in the acceptance or rejection of risks. Business is transacted continuously; risks are submitted hourly, and must be settled without reference to the board, otherwise the business would go elsewhere. Life proposals may be laid on the board room table once a week; the fire manager must decide for himself. The independence and energy of the individual in this case tell to the advantage of the business.

In the marine department the underwriter is an absolute autocrat. His directors hardly dare enter his room, except with a gently subdued air; and it is only at the end of one, two or sometimes three years that it is possible to adjudicate on the value of the marine underwriter's work. The result is that marine underwriting is, taking it all round, eminently prosperous, and the marine underwriter, with his percentage on the profits, is, comparatively speaking, the most happy man in the business of insurance.

The same rule undoubtedly applies to the fire manager and the marine underwriter in the United States, but it is when we come to consider the life business that the immeasurable superiority of American methods becomes apparent. In America a life office appoints a board of trustees to look after the money of the company and to invest the funds as they roll in. They rarely if ever offer an opinion on the management and administration of the office. They appoint a general manager, called a "president," who tells them what he has done from time to time, and, if he thinks fit, why he has done it. The results we see before us. The sooner the time arrives when British directors will understand that when they have got a first-class life assurance manager the more they let him alone the better it will be for business, the sooner will British life offices be able to compete successfully with their transatlantic rivals.

The Heredity of Diabetes.

(*The Baltimore Underwriter.*)

Despite the earnest study that has been devoted to the subject of diabetes in recent years, the most that can be said with regard to the nature of the disease is that it is the expression of some as yet obscure derangement of metabolism, in consequence of which carbo-hydrates are not properly assimilated and consumed in the body, and appear in the blood and the urine as glucose. While the affection is sometimes observed in association with organic disease, more especially of the brain, and less commonly of the pancreas, no gross lesion is appreciable in the majority of cases. The derangement of function must, therefore, be referred in many instances to structural, textural, cellular or nutritive alterations, and a mutual relation exists between this assumption and the fact that the disease is sometimes transmitted by heredity. It is estimated that the latter takes place in about 25 per cent. of the cases. Thus, Thomas Oliver cites an investigation by Weil of ninety members of a family through four generations, of whom twenty-one were certainly and thirteen doubtfully diabetic. He also relates of an applicant for insurance, that the father, three brothers and one sister had died from diabetes. Other instances are on record in which seven and eight children, respectively, in one family have exhibited diabetes. In a family reported by Von Noorden, ten members of four generations were diabetic. J. H. Pleasants has recently reported six cases of diabetes in two brothers, two sisters, an uncle and a great-uncle, among twenty-four descendants of a common progenitor, of whose urine examination was made in all but one case. Investigation, with the object of shedding light on the question of conjugal diabetes, into the condition of those who had married into the family yielded only negative information.

A study of the reported cases of diabetes in which heredity appears to have been an etiologic factor discloses certain peculiar features of the familiar type of the disease. It is often observed that the disease occurs in an uncle, an aunt or a cousin, while the parents escape. This may be conveniently spoken of as the "collateral inheritance" of diabetes. In the same way, a grandparent may be diabetic, while the parent escapes. When successive generations are affected, there is a tendency for the disease to develop at a progressively earlier age. When more than two members in the same generation are diabetic, there is a tendency for the disease to appear at approximately the same period of life. While hereditary diabetes developing in the first two decades is often of a severe character, the cases developing later in life are generally of a mild type. In a certain number of cases the disease has appeared in the children prior to its occurrence in the parent. There is frequently a neuropathic tendency in diabetic families. Cases are recorded in which several children were diabetic, while the others suffered from various psychoses. Obesity is often a characteristic of families in which diabetes occurs.

Official Reports.

Fire Premium Receipts in Boston First Six Months of 1890 and 1891.

The fire insurance premiums received in Boston during the first six months of this year, as exhibited by the report of the Boston Protective Department, issued this week, amounted to $1,675,883—a falling off of $162,748, as compared with the receipts of the first half of 1900. This difference is accounted for by the fact that the line of the Boston Elevated Railway Company, with premiums of about $150,000, was written for five years in the early part of 1900, and also that of the Boston Real Estate Syndicate, with premiums of $25,000, for three years. A comparison of the premium receipts for the first half of this year and the losses sustained by the companies, amounting to $843,305, as far as can be ascertained, would indicate that the loss ratio for the period was a trifle over 50.2 per cent.

Herewith is a list of the companies that received premiums to the amount of at least $10,000, or practically that, during the first six months of 1901, and their receipts for the corresponding period of last year:

AGENCIES.

The largest premium receipts by agencies during the six months ending with last June and the figures for the corresponding period of 1900 are shown below:

	First Six Months of 1901.	First Six Months of 1900.
John C. Paige & Co	$146,044	$153,726
Field & Cowles	130,865	145,705
George O. Carpenter & Son	109,205	139,563
Bullard & Davenport	88,094	88,802
Patridge & Macullar	84,893	90,481
L. Burge, Hayes & Co	72,424	86,999
Cyrus Brewer & Co	66,225	78,872
Darling & Russell	60,738	63,578
Guild & Eastman	59,314	63,539
Robert A. Boit	59,287	73,893

COMPANIES.

The premium receipts by companies were as follows:

	First Six Months of 1901.	First Six Months of 1900.
Ætna, Hartford	$39,371	$43,884
Agricultural	12,832	11,846
American Fire, Philadelphia	12,211	13,579
Atlas, London	13,540	19,663
American, Boston	9,891	8,860
Boston	12,673	11,452
Caledonian	15,611	17,486
Commercial Union	28,084	29,798
Connecticut Fire	20,060	20,299
Continental	21,114	24,298
Commonwealth	10,348	14,139
Fire Association	30,867	35,708
Fireman's Fund	15,987	24,193
German-American	32,010	32,277
Germania, New York	10,199	9,593
Granite State	11,062	10,273
Hamburg-Bremen	11,469	13,001
Hanover Fire	14,586	16,082
Hartford Fire	29,889	28,254
Home, New York	47,660	48,259
Imperial	26,390	24,814
Insurance Company of North America	31,143	36,816
Lion Fire	10,990	12,664
Liverpool and London and Globe	59,314	63,539

(*Continued on page 94.*)

(Continued from page 93.)

	First Six Months of 1901.	First Six Months of 1900.
London Assurance Corporation	$14,007	$16,808
London and Lancashire	24,526	30,015
Magdeburg	10,887	14,201
Manchester Fire	15,923	20,853
Mercantile Fire and Marine	11,099	12,733
National, Connecticut	23,871	26,619
National, Ireland	9,754	12,805
New Hampshire	19,457	17,694
Niagara, New York	27,425	25,888
North American	19,812	21,155
North British and Mercantile	31,730	26,144
Northern, England	19,480	25,745
Norwich Union	20,297	21,011
New York Underwriters	11,330	12,233
Palatine	30,024	35,445
Pennsylvania Fire	14,474	15,258
Phenix, Brooklyn	29,653	25,795
Phœnix, Connecticut	19,182	17,513
Phœnix, England	20,984	25,570
Providence-Washington	21,903	22,542
Queen	20,817	23,200
Royal	73,037	70,495
Royal Exchange	14,619	15,327
Scottish Union and National	30,470	33,110
Springfield Fire and Marine	20,127	19,183
Spring Garden	10,643	11,282
Sun, London	29,114	33,919
Security	11,514	10,076
Westchester	12,857	12,626
Western, Canada	14,220	19,129

The Agricultural Insurance Company of Watertown, N. Y.

ESTABLISHED 1853.

Assets, January 1, 1901 ..... $2,283,558.42
Total Liabilities, except Capital $1,240,017.87
Joint Stock Capital 500,000.00

Scottish Union & National Ins. Co.

ESTABLISHED 1824.

No. 35 St. Andrew Square, Edinburgh, Scotland.
No. 3 King William Street, E. C., London.

United States Branch: Hartford, Conn.

State Mutual Life Assurance Co.,

OF WORCESTER, MASS.

A. G. BULLOCK, President.
Incorporated 1844.
Issues policies, incontestable after two years, protected by the Non-Forfeiture Law of Massachusetts. Yearly dividends.

Assets $17,754,046
Liabilities 15,889.512
Surplus January 1, 1901 ..... $1,864,534

C. W. ANDERSON, General Agent, 189 BROADWAY, NEW YORK.

INCORPORATED 1865

GERMAN INSURANCE CO.

OF FREEPORT, ILL.

The Largest and Most Successful Fire Insurance Company in the West.

Assets, January 1, 1901, ... $3,656,401.59
Cash Capital, ... 200,000.00
Liabilities, including reinsurance, ... 2,181.179.89
NET SURPLUS, ... 1,275,221.70

C. O. COLLMAN, Pres. HENRY BAIER, Vice-Pres. D. B. SCHULTE, Treas.
WM. TREMBOR, Sec. F. M. GUND, Ass't Sec.

COMMERCIAL UNION ASSURANCE CO.

LIMITED,

OF LONDON.

OFFICE:

Cor. Pine & William Sts., New York.

HANOVER

Agencies In all the Principal Places in the United States.

Fire Insurance Company OF NEW YORK.

THERE ARE FEATURES IN THE FIFTY-THIRD ANNUAL REPORT OF

The Penn Mutual Life Insurance Company

Of interest to all engaged in life insurance work.
A copy on request.

THE PENN MUTUAL LIFE INSURANCE COMPANY,
921-925 CHESTNUT STREET, - PHILADELPHIA.

THE Fidelity and Casualty Company,

97-103 CEDAR STREET, NEW YORK CITY.

Assets, $4,435,558.87. Surplus, $1,107,870.54.
Losses Paid to June 30, 1901, $13,478,114.16.

CASUALTY INSURANCE SPECIALTIES:

Bonds of Suretyship for persons in positions of trust, Personal Accident, Plate Glass, Boiler, Elevator, Employers' and Landlords' Liability.

OFFICERS:

GEORGE F. SEWARD, President.
ROBERT J. HILLAS, Secretary and Treasurer.
HENRY CROSSLEY, Assistant Secretary.
FRANK E. LAW, Second Assistant Secretary.

German American Insurance Company New York

29th ANNUAL STATEMENT, JANUARY 1st, 1901.

Cash Capital, - - - - $1,000,000.00
Reserve for all Liabilities, - - - 3,408,569.64
Net Surplus, - - - - - 4,267,711.70
TOTAL ASSETS, - $8,676,281.34

ÆTNA
LIFE INSURANCE CO.

MORGAN G. BULKELEY, PRESIDENT

Largest Company in the World doing Life, Accident and Health business

ASSETS, OVER . . . $56,000,000.

MOWRY and PATTERSON, Managers Life Department.
GEORGE C. STERLING, Manager Accident Department.

Continental Building, 46 Cedar Street, NEW YORK CITY.

London Assurance Corporation,
CHARTERED A. D. 1720.

SURPLUS IN U. S. JAN. 1, 1901, $838,698.68

CHAS. LYMAN CASE, Manager.
4 PINE STREET, - - - - - - NEW YORK.

National Fire Insurance Company,
HARTFORD, CONN.

JAMES NICHOLS, President. B. R. STILLMAN, Secretary.
H. A. SMITH, Assistant Secretary.
HEAD OFFICE, 95 Pearl Street, Hartford, Conn.

WESTERN DEPARTMENT.
FRED. S. JAMES, General Agent.
G. W. BLOSSOM, Asst. Gen'l Agent.
Office, 174 La Salle St., Chicago.

PACIFIC DEPARTMENT.
GEO. D. DORNIN, - Manager.
GEO. W. DORNIN, Asst. Manager.
Office, 409 California St., San Fran.

The Largest Fire Insurance Company in Germany.

MAGDEBURG
FIRE INSURANCE CO.
OF MAGDEBURG, GERMANY.
ESTABLISHED 1844.

United States Branch, Magdeburg Building, 17 William Street, New York.
PAUL E. RASOR, Manager. AD. DOHMEYER, Ass't Manager.

The Manhattan Life
OF NEW YORK

want the best men obtainable for several pieces of excellent territory—and are willing to make mighty interesting propositions to good men.

ADDRESS
W. B. Lane, Superintendent of Agencies
66 BROADWAY, N. Y. CITY

Every conceivable form of Life Policies

The Massachusetts Mutual
Life Insurance Company,
INCORPORATED 1851.
SPRINGFIELD, MASS.

ASSETS - January 1, 1901	$26,245,622.04
LIABILITIES	23,920,986 53
SURPLUS	2,324,635.51

Definite Paid-up and Cash Surrender Values written in every Policy.

JOHN A. HALL, President. HENRY M. PHILLIPS, Secretary.

New York Office: Empire Building, 71 Broadway.
GEORGE J. WIGHT, Manager.

We Offer to Mail, for the Postage,
To Any Fire Insurance Agent

"How to Build a Home."	156 pp.	Post. 4c
"How to Build Fireproof and Slow-Burning,"	132 pp.	" 5c
"Plans and Specifications for Economical Dwelling Houses, Barns, Etc."	75 pp.	" 6c
"The Relation of Fire Insurance to the Community."	32 pp.	" 2c
"What Constitutes a Safe Electrical Equipment."	Leaflet,	" 1c

CONTINENTAL INSURANCE COMPANY,
46 CEDAR STREET, - - NEW YORK

TO BE FAITHFUL
...To Policy-holders and Agents

is the motto of the management of the Union Mutual. To serve all interests impartially. To treat all parties with consistent candor. To issue policies of pronounced liberality. To make all death payments with the utmost promptness. To be fair in all dealings.

Honest, capable Agents can always have employment with us.

Union Mutual Life Insurance Co.
Portland, Maine.
INCORPORATED 1848.

FRED E. RICHARDS, President. ARTHUR L. BATES, Vice-President.

Address either { EDSON D. SCOFIELD, *Supt.*, 1110 Am. Tract Society Bldg. 150 Nassau St., New York City. THORNTON CHASE, *Supt.*, 84 Adams Street, Chicago, Ill.

QUEEN
Ins. Co. of America.
NEW YORK.

Home Life Insurance Co.
256 BROADWAY, NEW YORK.
GEO. E. IDE, - - - - President.

Assets,	$12,342,247.00
Dividend Endowment Accumulations,	736,337.00
Contingent Fund,	65,875.00
Net Surplus,	1,282,588.30

1846—1901.

THE CONNECTICUT MUTUAL LIFE

Insurance Company.

WHERE THE CONNECTICUT MUTUAL STANDS.

During all the long struggle out of which this situation has developed, and amid the many schemes devised to attract public attention and favor to something else than life insurance, the attitude and position of the Connecticut Mutual have never been doubtful.

It has held to the cardinal facts: Life insurance is for the protection of those dependent on a man's life; their dependence makes it his unavoidable duty. Those dependents we assume to protect by our contract, at his personal cost; our duty to them is to make that protection as large, as secure, and as certainly available to them as possible; our duty to him is to make its cost to him as small as possible.

JACOB L. GREENE, President. **HERBERT H. WHITE, Secretary.**
JOHN M. TAYLOR, Vice-President. **DANIEL H. WELLS, Actuary.**

The Metropolitan Life Insurance Co.

(INCORPORATED BY THE STATE OF NEW YORK.)

"The Leading Industrial Insurance Company of America,"

IS REPRESENTED IN ALL THE PRINCIPAL CITIES OF THE UNITED STATES AND IN CANADA. THE PAYMENT OF OVER 250 DEATH CLAIMS DAILY TELLS OF THE GOOD IT DOES. INSURANCE IN FORCE OF OVER $900,000,000 ATTESTS ITS GREATNESS AND FAVOR WITH THE PUBLIC.

Permanent, Profitable and Progressive Employment.

AGENTS WANTED—Any honest, capable, industrious man, who is willing to begin at the bottom and acquire a complete knowledge of the details of the business by diligent study and practical experience can, by demonstrating his capacity, establish his claim to the highest position in the field. It is within his certain reach. The opportunities for merited advancement are unlimited. All needed explanations will be furnished upon application to the company's superintendents in any of the principal cities, or to the Home Office, No. 1 Madison Avenue, New York City.

JOHN R. HEGEMAN, President.

HALEY FISKE, Vice-President. GEORGE H. GASTON, Second Vice-President. GEORGE B. WOODWARD, Secretary. J. J. THOMPSON, Cashier and Assistant Secretary. JAMES M. CRAIG, Actuary. JAMES S. ROBERTS, Assistant Secretary. STEWART L. WOODFORD, Counsel. THOS. H. WILLARD, Medical Director. A. S. KNIGHT, Assistant Medical Director.

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.

FOUNDED 1792.

Assets, January 1, 1901		$9,583,791
LIABILITIES—Reserved for Reinsurance and all other claims	$4,805,254	
Capital Stock	3,000,000	
Surplus over all Liabilities	1,778,537	$9,583,791

Agents in all the principal towns and cities.

CHARLES PLATT, President. EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. BENJAMIN RUSH, Second Vice-President.
T. HOUARD WRIGHT, Marine Secretary. JOHN B. ATWOOD, Assistant Secretary.

Offices in New York: Fire, William and Pine Sts.; Marine, 63 Wall St.

1825. THE 1901.

Pennsylvania Fire Insurance Co.

OF PHILADELPHIA.

Cash Capital	$400,000.00
Re-insurance and all Liabilities	2,771,038.56
Surplus	2,163,883.97
Total January 1, 1901	$5,334,922.53

R. DALE BENSON, Prest. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Prest. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

INCORPORATED 1799

Providence Washington Insurance Company.

PROVIDENCE, R. I

Phœnix Mutual Life Insurance Co.

OF HARTFORD, CONN.

ORGANIZED IN 1851.

Assets, January 1, 1901	$13,278,711.73
Surplus at Four per cent	564,656.73

Total Paid Policy-holders over

—$42,500,000—

ACTIVE AND INTELLIGENT MEN WANTED AS AGENTS, with whom liberal contracts will be made. Desirable territory now open.

The new plans of the Company are brief, clear and liberal. Life and Endowment Policies have endorsed upon them definite cash, loan, and paid-up values, and in case of lapse, insurance is extended without action on the part of the insured.

J. B. BUNCE, President. J. M. HOLCOMBE, Vice-President.
C. H. LAWRENCE, Secretary.
NEW YORK OFFICE: WEED & KENNEDY, Managers, 149 Broadway.

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

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On another page we present the returns to the New York Fire Patrol for premium receipts during the first half of the current year. In a parallel column we give last year's figures of the same companies for the first six months of 1900. A comparison of this data shows a decided gain in premium yield. In fact, the returns of 1901, to June 30, exceed by more than $2,250,000 the premium income of the boroughs of Manhattan and the Bronx for any other six months in the last fifteen years. It is gratifying to learn that New York's losses for the same period of this year have been much lighter than in previous years. With but one exception, there has not been a fire of consequence in Manhattan or the Bronx in 1901.

The problem of effecting a body of uniform insurance laws has recently been engaging attention on each side of the Atlantic. In Glasgow, the International Law Association devoted a generous portion of its time to a study of this question, and extended its view to include England, America and the Continent. The difficulties that presented themselves to the accomplishment of so extensive a reform were necessarily greater than those being considered at Denver by the American Bar Association, which seeks uniform laws, insurance among others, for America alone. At the latter conference a bill designed to accomplish this purpose was draughted, but details have been withheld. The attainment of uniform insurance laws is a consummation devoutly to be desired, and once accomplished would be a great advance toward eliminating the difficulties and discord of individual State supervision.

It is astonishing with what unanimity the gentlemen who have been mentioned for the presidency of the National Association of Life Underwriters deny their claims upon the office and insist upon serving the organization as humble privates in the ranks. The emphasis with which they have nearly all declined to even have their names considered has been so pronounced as to leave little room for future doubt. There can be no skepticism as to the sincerity of these declinations; the only problem is, Why does no one want the office? It is a position of honor and distinction, and well worthy the aspiration of any life underwriter of the country. Probably the amount of work involved in conscientiously discharging its obligations deters the majority of eligibles from seeking the honor. Certainly no man can follow in President Register's footsteps and yet hope to consult his personal comfort and convenience. The example set by this efficient and tireless officer makes the presidency of the National Association no place for drones or laggards. Could he be prevailed upon to accept a second term, it would be a proper recognition of the invaluable services he has rendered the organization.

Attorney-General Post, of Colorado, is the most recent candidate for distinction as a discriminator against insurance interests. Asked by the Auditor of the State, "What shall be deemed the capital stock, for assessment of the State corporation license tax, against insurance companies whose home office and principal place of business is outside of the United States?" he has rendered an opinion to the effect that foreign corporations of this character should be assessed on the basis of their capital stock as indicated by the articles of incorporation. To the present time the foreign companies have paid taxes on their deposits only, which is a proper and equitable course for Colorado or any other State to follow. The principle upon which the capital of a company of one State is taxable in another is that of an adopted citizen, but this does not apply to foreign companies, for they are in no wise such. The resources of foreign companies are not available for losses in this country, except by the inclination of their managers, and for this reason are clearly exempt from such an assault as is now proposed by Colorado. The result of an attempt to enforce Attorney-General Post's contention will doubtless appear in the prompt withdrawal of foreign companies from the State.

When Mr. John M. Whiton was re-elected to the presidency of the New York Board of Fire Underwriters, at the annual meeting in May, he acknowledged the honor with a few remarks, in the course of which he deprecated the present system of adjusting losses and urged the inauguration of some advanced and superior method. Said he:

> I have not been a member of this body, gentlemen, for now nearly twenty-five years, without being aware of the difficulties which have hitherto defeated attempts in this direction. My excuse for bringing it before you now is my own deep conviction of the urgent necessity for reform in this important matter, and my firm belief that the secret of success is surely to be found in constancy of purpose.

He then argued against the inconsistency of safeguarding all other avenues of expense and drain and leaving this one unattended, and so becoming "the tools of those designing men whose object is plunder." The objections to prevailing methods of treating losses were set forth by Mr. Whiton in the following graphic language:

> We are all familiar with the experience of a trivial loss, in process of settlement by a dozen or fifteen adjusters, when the work could be done with greater satisfaction and economy by one or two. The work is, in fact, done by one or two, but we pay the ten or fifteen. I would not for a moment be thought to utter one word in disparagement of the valuable services of the many honorable men who serve us in this branch of our business, but there are those whom we cannot criticise for accepting the fees we so freely pay, who are adepts—both in making quick settlements at our expense and in forcing a salvage at the expense of the insured often, when, as a matter of fact, there is none. The one may give him more time in which to increase his demands upon us and his fees in other directions, but it

increases our loss ratio also. The other may give him more temporary reputation with his employer, but does not improve the reputation of his employer with the insuring public, to whom we all look for support. We are familiar with the adjuster for the insured, among whom there are those whose ambition it appears to me to be to settle with their client for as little as possible, take an assignment and get as much as possible out of us in money and in reputation. It is represented to the insured in driving their sharp bargain that the small sum received by the victim is due to the necessity of making liberal payments to us and to our employees to secure the audit of the claim; and with some of the most notorious of these we behold our own employees on terms of at least questionable intimacy.

As an outcome of Mr. Whiton's appeal a committee, of which Mr. John H. Washburn was made chairman, was chosen to provide some remedy for the evils indicated. This committee reported at the monthly meeting of the board last week, and submitted the following as an amendment to the by-laws, to be acted upon at the meeting to be held September 18:

The committee on losses and adjustments shall have charge of the ascertainment of the amount of losses due under claims within the metropolitan district whenever more than three members are interested. When three members or less are interested the committee shall have power to take charge of the same if requested to do so.

The committee may employ a secretary, and such other assistants as may appear to them necessary, and may prescribe their duties and make rules for their guidance, and also make rules for the appointment and direction of adjusters.

Any member of the board may, in writing, personally signed by him, advise the committee in any particular case that he prefers to attend to his own adjustment, in which case he may do so through an adjuster approved by the committee, but the committee shall attend to the adjustment for all other members.

Adjusters entrusted with the ascertainment of losses within the metropolitan district for members of the board shall first be approved by said committee as to character, ability and integrity, and shall, if approved, be known as adjusters of the New York Board of Fire Underwriters. No member shall employ any adjuster for the ascertainment of any such loss who has not been first so approved, and is not at the time under suspension.

The committee shall have power to suspend any adjuster of the board on charges made against him for irregularities or improper conduct in the discharge of the duties assigned to him, and if such charges be sustained such suspension shall be permanent and immediately reported to the board.

The committee shall keep a permanent record of their proceedings and shall make a monthly report to the board.

What attitude the board will take on so radical a proposition as this remains to be seen. The probability is that it will be quietly shelved and the house of cards come down around its builders' ears. Company adjusters are highly indignant, and have expressed themselves to representatives of THE WEEKLY UNDERWRITER in no uncertain manner, ridiculing the movement and depreciating its logic. In one instance it was characterized as "fraternalism run mad." It is an easy thing for the theorist to accept the committee's suggestion, and equally easy for the practical insurance man to agree with the adjusters. In a word, it looks very much like a reformer's dream—that is, a little too good to come true. No doubt many abuses attend the operation of the present system and much needless expense is involved in it, but the difficulty in securing sincere co-operation on the part of the companies is likely to necessitate its continuance. It is greatly to be regretted that some such reform as is presented in this committee's report could not be effected. The old, desultory, individual plan is altogether unsatisfactory and ante-dated, and the margin of underwriting profit is scarcely so large as to make the consideration of economy trivial. As much as we all dislike to confess it, suspicion and distrust are very prevalent among fire underwriters in New York, and we fear they exist to such an extent as to prevail against the manifest logic of Mr. Whiton's observations, above quoted, and consign the good work of this enlightened committee to an at least temporary oblivion.

Facts and Opinions.

THE Ohio campaign-of-education rally at Put-in-Bay, Friday and Saturday, was a great success in every way, with the exception of the attendance of the non-Union and mutual companies, whose co-operation is so much desired. Only a few of them were present, but every effort will be made to secure a more general representation from them at the legislative conference to be held at the Chamber of Commerce in Cleveland September 5. The Put-in-Bay meeting had papers from Insurance Commissioner Vorys on "The Anti-Compact Law"; A. W. Neal, president of the Ohio Association of Local Agents, on "How to Secure the Repeal of Hostile Legislation"; Cyrus Woodbury, State agent of the Queen, on "Economic Principles Involved in Fire Underwriting"; John Vernon, president of the Ohio Mutual, on "The Anti-Compact Law"; L. J. Bonar, State agent of the North America, on "The Valued Policy Law," and John P. Hubble, chairman of the Committee on the Dissemination of Information, on "Let the People Know." Commissioner Vorys, who is plainly anxious to be fair and helpful to insurance interests, said that the law is not so restrictive as the companies have seemed to think. It does not prevent association for the exchange of knowledge and information, for mutual improvement and all lawful purposes. Premiums, rates and commissions are not the only questions before insurance men, and the State authorities are constantly mindful of the welfare and therefore the prosperity of the companies. President Neal, of the State association, argued for reduction of commissions, the wiping out of preferred business and the punishment of companies that provoke rate wars.

AT the forthcoming annual meeting of the Western Union at Round Island a number of important matters will be up for consideration. Separation is to be made a special order for the morning session of the second day. Committee reports will be submitted in the following order: Governing, large cities, arbitration, grievance, bulletin, fire protection, engineering, Illinois Legislature, Kansas Legislature, revision of rules, dissemination of information, conference and the committee to confer with absentees. The large cities committee has decided to report against action at this time, and the dissemination of information committee will urge a continuance of the work as at present conducted. Daily meetings have been held at Chicago by the committee for the revision of rules and a clear cut, practical report is expected. J. H. Washburn, of the Home of New York; W. S. Warren, of the Liverpool and London and Globe; J. Montgomery Hare, of the Norwich Union; Keeler & Gallagher, of the Ætna; A. J. Harding, of the Springfield; George Cram, of the American Central, and John S. Belden, of the London and Lancashire, have been selected as a special committee to consider the proposition, "Shall a rule for uniform practice in the payment of losses be adopted?" This idea has already been brought before the New York Board of Fire Underwriters.

THE United States Life insurance company's aggressive little monthly, *The Ingleside,* discusses the subject of options in the following manner:

The mistaken tendency of modern policies of life insurance is distinctly in the direction of an unwarranted and useless diversity of so-called "options." These options offer almost every conceivable inducement to thwart the original motive for issuing the policy. Every time the insured looks at his policy he sees that when a certain date arrives he will be assailed by all kinds of temptations, the apparent aim and object of which is to induce him to cancel his insurance, and rob his wife and children of the protection which it had been intended to afford them.

Pure insurance, designed above every other consideration for the protection of the family—in hundreds of thousands of cases the only possible means of keeping the wolf from the door in case the breadwinner dies—is far too sacred a matter to be thus trifled with; and options, involving the

surrender of a life insurance policy, should be limited more carefully than is now the practice. Only such options as are of possible and probable essential benefit to the family should be retained; while those which impair the perpetuity of the family protection should be abandoned—or, at least, judiciously modified. Family protection is the active principle to be maintained, and anything which tends to vitiate it must be of very questionable value.

On account of the conclave of Knights Templars in Louisville, from Monday to Friday of this week, President Donald Macpherson, of the Louisville Board, sent a circular letter to companies doing business in that city advising them of an intention to bind them to accept a blanket notice of indorsements on risks subject to especial danger on account of temporary electric wiring and other features of the conclave. He said:

As the indorsement of policies in force on such risks as may be so occupied would entail an endless amount of labor, and would be, in fact, almost impossible, it is decided to notify the companies represented here that this board has resolved to grant permission for the occupancy of any building in this city without extra charge for the entertainment of visitors during the conclave, and that in view of the practical impossibility of indorsing the policies, that this communication shall be a notice to the companies of such fact in lieu of any indorsement, and you are respectfully requested to accept this letter as such notice.

New York brokers of non-admitted companies will hereafter be required to comply exactly with the laws governing the transaction of their business, and the character of the policies they furnish will be subject to scrutiny. In revoking the license of Henry Y. Miller, Insurance Superintendent Hendricks wrote him as follows, indicative of the firm stand the department proposes taking in similar cases:

From an investigation made by this department it appears that you are placing surplus lines in companies which, from the information in our possession, are without a license from their home State departments, and are without financial responsibility. While Section 137 of the insurance law provides for the placing of surplus lines of insurance in unauthorized companies, it is expected that a special agent appointed under its provisions will select a line of companies which will afford protection to his clients. I, therefore, believe it to be for the best interests of the insuring public to take the action set forth in this communication.

The work of applying the uniform schedules for special hazards, which were devised at the tri-association conferences in New York last spring, is gradually nearing completion in New England, and the issuance of the first rates thus evolved will not be long delayed by the Exchange. All the risks requiring such attention in Maine, Vermont and Rhode Island have been inspected, and the same is true of Western Massachusetts. It is expected to finish Eastern Massachusetts in about three weeks, and Connecticut perhaps by the end of next week. There is good reason to expect the accomplishment of this kind of rating with much greater ease and effectiveness than was possible under the old schedules, which were neither so orderly in their arrangement nor so practically condensed.

Without increasing the premium charge the Security Trust and Life insurance company has further liberalized its new "Combination Life, Endowment, Accident, Health and Annuity" policy as follows:

1. Instead of thirty days being the time limit for accidental injuries causing death, we have changed it to ninety days.
2. We have entirely eliminated the clause which provided a charge against the policy of the indemnity benefits paid.
3. We have made the accident and sick benefits available on delivery of the policy instead of six months from date.
4. We have entirely eliminated the clause referring to understatement of age in application, etc.
5. We have also taken out the clause referring to the aggregate indemnity being in excess of the money value of time, etc.

At the Cleveland conference in September the consensus of opinion is that the repeal of the valued policy law and the anti-coinsurance law will be asked for, an amendment to the law permitting the placing of surplus lines in unadmitted companies after all the resources of the admitted companies have been exhausted, and the adoption of the New York valued policy law, with its various riders. The latter of itself will defeat the valued policy law, the anti-coinsurance law and the county appraisal law. The commercial bodies of the State are very anxious to get rid of the anti-coinsurance law, and will help the insurance men on their other bills in return for their help on this.

Rate conditions on target lines at Kansas City are very much improved by the lack of insurance facilities. C. J. Schmelzer, the insurance baiting president of the Commercial Club, who runs a wholesale arms company, has been unable to replace his line at the old rate of 1 per cent., and when he offered $1.35 was horrified to find that he could not get it at that. He is now paying the advisory rate of $1.60, and many companies will not write him at that. Managers say that any talk about another contest by the Commercial Club is a bluff, as most of the members cannot, at almost any rate, get as much insurance as they need.

A conference of Ohio special agents and managers has been held at Put-in-Bay to further plans for an educational campaign in the State. Western Manager John P. Hubble, of the Greenwich insurance company, and Associate Western Manager F. H. McElhone, of the Fireman's Fund insurance company, were present. Addresses were delivered by L. J. Bonar, John Vernon, A. W. Neal, W. H. Sage and John P. Hubble. Insurance Commissioner Vorys was present, and in the course of his remarks expressed the belief that the anti-compact law does not prohibit an exchange of experience between companies.

The United States Consul-General at Rouen, France, has reported to our Government as follows on a method suggested in that city for the extinction of fires:

The head of the fire department of Rouen has suggested to the Mayor a novel project in the fire-extinguishing service. Inasmuch as this city is traversed everywhere by electric street car wires, it is suggested that there should be provided pumps, driven by dynamos, to take currents by means of a trolley hooked to the street car wires at the nearest point to the fire. If this is favorably acted upon, as seems likely, Rouen will be equal, if not superior, to any European city in the efficiency of its fire service. Herein is a suggestion for American cities, where street car wires are much more numerous.

Another phase of development awaits the notorious Fort Wayne insurance company, which was given a hundred years' charter by the Indiana Legislature in 1850, and which passed into the hands of Chicago parties a year or two ago and was wrecked in 1899. M. V. McGilliard and E. H. Dark, of Indianapolis, have secured the charter and revived the company, changing the name to that of Equitable. W. E. Christian becomes president and V. W. Dark secretary. A campaign will be made for surplus lines.

From every indication the proposition of raising $5,000 a year for five years, to secure a four years' course in fire insurance at the University of Chicago, is doomed to failure. The Western Union and Chicago Underwriters' Association did not feel at liberty to subscribe to the fund, and support has not appeared from other sources. The effort to induce the companies to turn over their laboratories in Chicago to the university in lieu of a $25,000 donation has not met with success.

The value of printers' ink has impressed Mr. George H. Tyson, a San Francisco fire insurance general agent, to such an extent that he has produced a paper of his own. It is called *The American*, and its appearance is promised "as often as our time may permit and the mutual interests of our companies and agents may demand." The leading article in the initial number is an impassioned defense of Pacific Coast departments—an excellent subject for a journal so conceived and located.

A bid of Walter H. Lee, of Chicago, for the assets of the Northwestern Life Assurance Company of Chicago was accepted on

Wednesday before Judge Chetlain: Mr. Lee will pay 40 per cent. on all approved claims. Creditors will receive 22½ per cent. of the claims immediately and the remaining 17½ per cent. by December 16, all claims drawing 6 per cent. interest until final payment. The assets are said to amount to $350,000, and the claims to about $1,000,000.

Some of the members of the Chicago Underwriters' Association who are antagonizing the new schedule on the fireproof mercantiles are claiming that it is driving insurance away from the local agents to unadmitted companies and Lloyds. They say it is possible to place over $800,000 on a first-class sprinkled risk in Chicago, including the individual underwriters in New York, without placing a dollar in a company represented in the Chicago board.

At a meeting held in Detroit this week the Michigan Association of Local Fire Insurance Agents elected the following officers for the ensuing year: President, Charles Holden, of Grand Rapids; vice-president, H. Vernon, of Detroit; second vice-president, E. Van Tuyl, of Bay City; third vice-president, F. A. Fish, of Port Huron; fourth vice-president, Charles Russell, of Cadillac; secretary and treasurer, W. A. Eldridge, of Detroit.

The Fidelity Mutual Life insurance company's convention of prominent managers and agents was held at the Lorraine Hotel, Philadelphia, from Monday until Saturday of this week. The mayor of the city welcomed the delegates, and the prominent men of the home office addressed the meetings. Timely subjects were discussed by the convention, and the management was gratified at the attendance and the enthusiasm displayed.

At a meeting of citizens of the Parker Hill district, in Boston, held last Wednesday evening, it was voted to accept the proposition made by the municipal authorities to establish a volunteer hose company on the hill. There has been much dissatisfaction since the burning of a house on the hill a few weeks ago, at which time the apparatus from the lower levels experienced considerable difficulty in getting to the fire.

We are advised from an authoritative source that the reported difficulty over the placing of the school insurance in Minneapolis dates back to 1897, that there has been no trouble since, and that all the insurance was renewed about a year ago at full rates. In the light of this information, the rumors of rate cutting on the part of the Norwich Union are without foundation in fact and do the company an injustice.

Reports from Kansas and Iowa are that the non-Union companies are writing nearly all the preferred business, paying as much more commission than the Union companies as is necessary in order to get it. The effect of this is to strengthen the movement for the reduction in rates on preferred classes, so that the non-Union companies cannot afford to pay excess commissions.

In the Police Court at Boston, Thursday morning, Frederick Cadigan was arraigned on the charge of soliciting insurance without a license. He had placed a policy in the Niagara Fire insurance company and collected the premium, but had turned in only a part. On account of extenuating circumstances the judge did not impose the customary fine of $100, but put him on probation.

An emphatic refusal to allow his name to be presented as a candidate for the presidency of the National Association of Life Underwriters has been made by Col. John A. Goulden, of New York. He thinks the logical candidate is Chairman Stephen F. Woodman, of the executive committee, and that, in event of his refusal to serve, a Southern or Western man should be selected.

From the press of the Insurance Report Company of Denver comes the Insurance Report's Directory for 1901, containing a complete list of the companies and agents and fire fighting equipment in the towns and cities of Colorado, Wyoming, New Mexico, Utah, Montana, Nebraska and Kansas. It is well printed and attractively bound and sells for $2, cloth; and $3, red leather.

It begins to look as though Texas' Secretary of State, John G. Todd, has come to think better of his determination to compel companies to sign an extra-territorial affidavit in regard to their attitude on compacts. His latest blanks are so interlined as to practically limit the scope of the affidavits to Texas alone. This is the position he should have taken in the first place.

A proposition will be made at the coming annual meeting of the Union for a committee on profitable classes, just as there has been a committee on unprofitable classes. This is to consider the danger of the new schedules raising some rates too high—as the rates on dwellings, etc., are at present in most fields—and thus produce inevitable disturbance and demoralization.

The report that Eastern Manager Frank Lock, of the Atlas Assurance Company of London, had authorized the statement that his company proposed amalgamating with the Phœnix Assurance Company of London is emphatically denied by Mr. Lock. He states further that he has received no cable or other message from London containing such information.

The first annual meeting of the agency association of the National Life insurance company of Vermont was held in Buffalo on Wednesday and Thursday of last week. There were excellent addresses, visits to Niagara and the Pan-American Exposition and a farewell banquet. President Houghton and Vice-President DeBoer were among the speakers.

On September 5 a convention for consultation regarding anti-compact legislation is to be held in Cleveland, Ohio, and will be attended by representatives of all kinds of insurance companies, the Cleveland Chamber of Commerce, the Ohio Association of Local Fire Insurance Agents and the Cleveland Insurance Exchange.

Company managers are being solicited to subscribe to a fund to be used in the entertainment of the insurance commissioners who attend the Buffalo convention next month. The urgency of this call does not appeal to many, and support will have to come from some other source if the fund is to even have a beginning.

George W. Law, Western manager of the Royal, has returned from ten days spent in Kentucky, during which he prepared the report of the Large Cities committee for the annual meeting of the Western Union. He says nothing could be done, because of the failure of the non-Union companies to co-operate.

For an additional charge of $5 the Union Casualty and Surety Company of St. Louis is issuing a new "Additional Death Benefit Endorsement" to go on its annual $5,000 policies. Under this it will pay a $10 weekly benefit for ten years, should the insured die from accident, the settlements to be made quarterly.

Five of the leading agencies of Lansing, Mich., have combined and incorporated under the name of the Lansing Insurance Agency, with a capital of $10,000. The officers are: President, L. C. Blood; vice-president, D. L. Van Aucken; secretary and treasurer, C. S. Emery; manager, W. G. Titus.

"Some Plain Hints to Life Insurance Solicitors," by Charles Warren Pickell, of Detroit, Mich., is an interesting pamphlet, presenting excellent advice and suggestions to agents, which, if conscientiously followed, is bound to increase their efficiency as business getters and improve them as individuals.

Managers of foreign insurance companies have been astonished at an opinion just rendered by Attorney-General Post, of Colorado, by which the State corporation tax will be assessed on the basis of the companies' home capital. Hitherto the tax has been on United States deposits only.

There is apprehension among Western fire insurance men that Judge Tuley's decision that coloring oats by means of sulphur fumes is not illegal unless proven dangerous to life is likely to lead to an extended use of the process and so add an additional hazard to risks of this character.

The fifteenth annual issue of the Southern Insurance Directory for 1901, by the Vindicator Publishing Company, of New Orleans, is larger and more complete than ever and presents much interesting data of the companies and agents in the thirteen States covered. Price, $3 per copy.

The first balloon insurance ever written in France was taken out by M. Santos-Dumont, who has twice sailed his airship around the Eiffel Tower. His last experience is not likely to be of service in securing a lower rate when he is ready to try again.

Both the German-American insurance company and the Merchants insurance company of Newark deny liability under their policies for the loss of the El Paso Reduction Works. The vacancy clause had expired two days before the fire occurred.

It is expected that the Marquette Life insurance company of Chicago will be ready for business by October 1. The death of Treasurer Seeberger delayed matters. John R. Walsh and Fred. M. Blount are being considered for treasurer.

Twenty-four fire insurance companies have retired from St. Louis since the beginning of the year. A combination of anti-compact laws and heavy losses has resulted in discrediting the city in the eyes of Western managers.

The Utah Association of Local Fire Insurance Agents at its annual meeting strongly indorsed the "black list" scheme of its president, E. W. Wilson, and urged that it be adopted at the forthcoming national convention.

A number of policy-holders of the Kansas Mutual Life insurance company have brought suit against the president, vice-president and treasurer in the Federal Court at Leavenworth for alleged misuse of company funds.

According to *Rough Notes*, the Indiana business of all fire insurance companies for the first six months of 1901 was as follows: Premiums, $2,185,558; losses, $1,088,954; ratio of losses to premiums, 49 per cent.

Arbitration is being tried in a fire insurance tangle in the West. Eugene Cary is to represent O. M. Stafford, Goss & Co., and J. H. Lenehan the Ohio Inspection Bureau. If they disagree, an umpire will be chosen.

Defendants in British liability suits in 1899 scored ninety-one successes out of 244 trials under the Employers' Liability Act in Great Britain, but only won 246 out of 999 under the Workmen's Compensation Act.

The receiver of the Manhattan Fire insurance company has declined to oblige Commissioner Folk, of Tennessee, with an estimate of what dividend, if any, will be paid from the wreck of that unfortunate institution.

The adjustment of a recent loss on the Cudahy Packing Company, at Kansas City, is delayed through the action of the company in refusing to deliver the policies to the adjusters to be checked over.

Losses in fire insurance on the Pacific Coast for the first half of 1901 are less by $250,000 than they were for the same period of last year. The loss ratio to premiums is about 40 per cent.

A company for the insurance of farm machinery and stock has been organized in South Dakota, and will be known as the Farmers and Threshers Mutual Fire insurance company.

Members of the Philadelphia Fire Underwriters' Association have been officially advised that hereafter no ratings will be rescinded except upon appeal to the executive committee.

Indiana companies doing business in Illinois are to be examined by L. Pfouts and R. R. Mabry, who have been appointed for this purpose by Insurance Superintendent Yates.

The International Underwriting Company has been incorporated at Chicago, with a capital of $500,000. It is projected by C. W. Rice, I. T. Brady and H. M. Cohen.

The Governing Committee of the Western Union has made a second demand that the consequential damage clause be applied to the Consolidated Brewing Company.

The Chicago local agency firm of Moore & Janes will continue under the same style as during Mr. Janes' life. Mr. Moore will have his son Fred associated with him.

The Mill Owners Mutual insurance company of Chicago has applied for admission to Michigan and is being examined by the Insurance Department of that State.

A demand for tornado insurance is reported from various sections of the East as a result of the recent violent windstorms that have visited this part of the country.

New York's new storage store schedules have gone into effect. Countermen are apprehensive of difficulty in clearly understanding the involved minutiæ of the plan.

The Metropolitan Life insurance company is opening offices in California, Oregon and Washington, for the writing of both ordinary and industrial insurance.

Eastern brokers are charged with attempting to place cotton insurance under the old forms used last year by the South-Eastern Tariff Association.

The body of Col. John H. Jessup, who represented the Metropolitan Life insurance company at Lyons, N. Y., has been found in the Ontario Canal.

The Northeastern Indemnity Association, a fraternal concern of Lowell, Mass., has applied for a receiver after one year of painful existence.

The Mutual Life insurance company proposes erecting a ten story addition to its Philadelphia office building, at Tenth and Chestnut streets.

The New York Telephone Company has been written by a non-tariff liability company for a $12,000 premium, covering its con-

struction and maintenance work. The liability limits are $5,000 and $10,000.

GAS and water pipes in Dayton, Ohio, have deteriorated to such an extent from electrolysis that increases in rates are being recommended.

THE water department of Wilmington, Del., has purchased a wharf on Christiana Creek, and a storage house is soon to be built upon it.

THE New York Fire Patrol is to have a new company in the Bronx, with a house on Cortlandt avenue, near 159th street.

MORE than 20,000,000 of industrial policy-holders have been written in the Metropolitan Life since its organization.

OHIO has admitted the Sea and Lake insurance company to do a marine business.

THE Union Casualty and Surety Company has retired from Arkansas.

Personal

AGENCY APPOINTMENTS.

Ætna: Coggswell & Safford, Ipswich, Mass.

Albany: Adam Archibald, Boston.

American of New York and Providence-Washington: F. N. Esty & Co., South Framingham, Mass.

Assurance Company of America: Rehm & Co., Indianapolis.

Connecticut Mutual: Normand W. Hayward, general agent for Rhode Island.

Equitable Life: Dr. Eugene E. Hinman, chief medical examiner for the Albany district and district inspector for New York, Vermont, Quebec and Ontario.

German of Freeport: Greenwood Brothers, Gardner, Mass.; S. A. Greenwood, Winchendon, Mass.; C. H. Gentsch, Clinton, Mass., and H. A. Daniels, Milford, Mass.

German of Pennsylvania: John H. Madden, Lynn, Mass.

Glens Falls: M. C. Forrest, Great Barrington, Mass.

Hartford Fire: E. E. Howes, Falmouth, Mass.

Home Fire of Baltimore: C. B. Beardsley & Co., Chicago.

Insurance Company of North America: B. B. Worster, Weymouth, and Coggswell & Safford, Ipswich, Mass.

Insurance Company of the State of Pennsylvania: J. H. Clinton, special agent for Ohio and Michigan.

Mutual: George M. Austin, Lawrence, Mass.

Mutual Benefit: Charles H. Bigg, Lansing, Mich.

National Standard: James W. Lee & Co., Cleveland; Jones, Montgomery & Haas, Cincinnati.

National Union of Pittsburgh; J. J. Casey, Peoria, Ill.

North British and Mercantile: M. L. Cate & Co., Roxbury, Mass.

Northwestern Mutual: Frank T. Kelly, Haverhill, Mass.

Philadelphia Underwriters: T. F. McCrea, Indianapolis.

Prudential: A. C. Lowrey, general agent, Providence.

Prudential: John J. Gaffney, Springfield, Mass., general agent.

Prudential: George U. Marvin, general agent in Northern Ohio, formerly special agent with Western department, Manhattan Fire insurance company.

Royal Exchange: Walter P. Dolle, Cincinnati.

Security Life of Des Moines: Blair & Mohr, State agents for Minnesota.

Svea: Brown & Adams, Newburyport, Mass.

Union Casualty and Surety: I. Leroy Brubacher, Columbus, Ohio.

Westchester: Sigfried Schwarz, Chicago, superintendent of Western department.

Western of Toronto: J. D. Kimball, Orange, Mass.

Mr. H. H. Stevens, former Insurance Commissioner of Michigan, has been deposed from the secretaryship of the Ideal Reserve Association of Detroit by the executive committee. It is said by the committee that he is ineligible to an official position because he is not a member; that he has given no bond; that he has not complied with the duties of his office, and that there are "other good and sufficient reasons."

Mr. J. G. Morgan, manager for Western Canada for the New York Life insurance company, was a passenger on the Klondike steamer Islander, which was wrecked on August 15, but was saved after two hours' exposure in the water.

Mr. R. K. Mackenzie has resigned as assistant secretary of the Norwich Union Fire Insurance Society, on account of impaired health, and been succeeded by Mr. J. Large, formerly manager of the society's Scottish branch.

Mr. William B. Carlile, manager of the Mutual Life insurance company at Chicago, contributed an interesting article to the last issue of the *Conservative* on the subject of "A Young Man's Chances in Life Insurance."

Mr. L. M. Wise, of the firm of Wise & Higley, managers at Chicago of the Western department of the Hanover Fire insurance company, has resigned. Mr. Higley will conduct the department as sole manager.

Mr. Franklin J. Moore, secretary of the General Accident insurance company, and President C. H. Bunker, of the Continental Casualty Company, have returned from a month in Yellowstone Park.

Mr. Harry Gordon, cashier of the Chicago office of the Equitable Assurance Society, has the sympathy of many friends on account of the death of his wife at Cataumet, Mass., a few days ago.

Mr. Napoleon Pickard has withdrawn from the Chicago local agency firm of Napier & Pickard to engage in the brokerage business independently. Mr. R. A. Napier will continue the agency alone.

Mr. E. E. Woods, manager of the Pittsburgh agency of the Equitable, has been making a trip through the East with fifty of his leading agents. The trip is a reward for good business-getting.

Mr. W. W. McDowell has been made secretary pro tem. of the Kentucky and Louisville Mutual Fire insurance company, with a possibility of his election to the presidency in the near future.

Mr. E. F. Beddall, president of the Queen insurance company and United States attorney for the Royal insurance company, arrived from England on the Germanic Thursday.

Mr. H. M. Magill, for many years general agent of the Phœnix insurance company of Hartford at Cincinnati, has made California his home and is building at Pasadena.

Mr. Hiram Gerry Wilson, the first general agent of the Northwestern Mutual Life insurance company, died recently at his St. Louis home.

Mr. W. A. Todd, formerly manager of the Union Casualty and Surety Company, at Philadelphia, died at Atlantic City last week.

Mr. A. F. Clark, until recently treasurer of the Danvers Mutual Fire insurance company, has died, in his eighty-fifth year.

Mr. H. S. Vail, the well-known Chicago life underwriter, is dangerously ill at his summer home on Orr's Island, Me.

Mr. Carl Schreiner, manager of the Munich Reinsurance Company, arrived from Europe this week on the Deutschland.

Mr. John S. Wilkins has resigned the Vermont general agency of the Union Mutual Life insurance company.

Messrs. Jefferson & Noyes have purchased the Louisville, Ky., agency business of W. W. McDowell.

Mr. Herbert Buxton has opened a general brokerage office at 76 William street, New York.

Miscellany.

The Annual Meeting of the National Association of Local Fire Insurance Agents.

On September 9, 10 and 11 the sixth annual convention of the National Association of Local Fire Insurance Agents will be held at the Hotel Victory, Put-in-Bay, Ohio, and for this occasion the following program has been prepared:

Monday, September 9, at 3 o'clock, p. m.—Address of welcome, Fred. P. Thomas, president Cleveland Fire Insurance Exchange. Response, John C. North, vice-president, New Haven, Conn. Annual address and report,, President George D. Markham, St. Louis, Mo. Report, Secretary Frank F. Holmes, Chicago. Report executive committee, Charles P. Whitney, Chicago. Report grievance committee, Merwin Jackson, Toledo, Ohio. Report committee on State organization, H. N. Pinkham, Portland, Me. Report committee on legislation, Myer Cohen, Washington, D. C. Reports of special committees. Appointment of committees. General business.

Monday Evening, at 8 o'clock.—Introduction of resolutions and other business. Address, J. M. de Camp, Cincinnati, Ohio, president Western Union. Reports from States. General business.

Tuesday, September 10, at 10 o'clock a. m.—Introduction of resolutions and other business. Discussions, open to all; speakers limited to five minutes. Address, John H. Washburn, New York, president Home insurance company. Address, H. C. Stockdell, Atlanta, Ga., president South Eastern Tariff Association. General business.

Tuesday Afternoon, at 3 o'clock.—Reports from States concluded. Address, Cyrus Woodbury, Columbus, special agent Queen insurance company. Greetings from Fire Underwriters'

Association of the Northwest, New England Fire Insurance Exchange and other organizations of underwriters. Introduction of resolutions. Reports of special committees. General business.

Wednesday, September 11, at 10 o'clock a. m.—Unfinished business. Invitations for next annual meeting. Discussions, open to all. Report of committee on nominations and election of officers. Report of committee on resolutions and recommendations. Closing business. Adjournment.

Proposed Reforms in New England.

When the New England Insurance Exchange assembles for its autumn sessions, a week from next Saturday, it will find several recommendations of the executive committee awaiting its action. Principal among them are—

First, the amending of the reduced rate clause to read as follows:

In consideration of the reduced rate at which this policy is written, it is hereby stipulated and made a condition of the contract that the liability of this company for any loss shall not exceed such proportion thereof as the amount hereby insured bears to —— per cent. of the value of the property at time of loss, and that when the policy is divided into two or more items this condition shall apply to each item separately. Provided, however, that if the aggregate loss shall not exceed five (5) per cent. of the total insurance on the item or items involved, no special inventory or appraisement of the undamaged property shall be required.

Second, changing the definition of a mercantile risk to prohibit the writing of tobacco warehouses for a term of years at less than *pro rata* rates, viz.:

A building shall be considered as occupied for mercantile purposes only when the greatest hazard of occupancy is the storage, sale or exhibition for sale of merchandise. This shall not, however, be held to include hay, grain, coal, ice, tobacco, lime or lumber storage, grain elevators, sale stables, tobacco barns when not appurtenant to and written with dwelling, or storehouses appurtenant to manufacturing plants.

Third, amending the ordinary alteration and repair clause to read as subjoined:

Privilege is granted to make ordinary alterations and repairs, it being expressly agreed and made a condition of this policy that extraordinary alterations, additions and repairs shall not be made in or upon the premises insured, or containing the property insured, and that (any custom of trade or business to the contrary notwithstanding) no paint or similar substance shall be removed by burning in or about said premises without the consent of this company endorsed on this policy.

Fourth, adopting a form of mechanics' permit, which shall forbid the dangerous practice of burning off old paint, and couched in the following terms:

In consideration of $—— additional premium paid therefor, and the warranty by the insured that no paint or similar substance shall be removed by burning in or upon the premises insured (or containing the property insured) without the consent of this company indorsed on this policy, permission is hereby given for mechanics to work in and about said premises for —— months —— from date, to make alterations, additions or repairs, and this policy shall also cover all materials and supplies therefor, therein or adjacent, and said alterations or additions when completed.

Regarding the first of the above propositions, the national board has asked the Exchange to defer final action thereon until a decision in regard to the matter has been reached by the board and communicated to the Exchange. Regarding the second it would appear that, in view of the flourishing condition of tobacco raisers and handlers in New England, there might be less reason for calling for its enactment than there was at the time it was passed.

Victims of Electricity.

(*By Orville J. Victor, in the Mail and Express.*)

For the utilization of electricity civilization is paying a fearful price, how fearful the majority of people do not realize.

Readers of the news of the day find, in the chaos of items in their papers, just a brief paragraph or two announcing the "accident" of a death by electrocution or concise mention of the work of the fateful wire in burning, maiming, shocking and terrorizing men, women and children; then, with perhaps a spasm of pity from the readers, the item merges in the mass of events of the time, to be quickly forgotten as an individual occurrence.

Day by day this is the chronicle, and not one person from the thousand so takes these tragedies to heart as to express alarm at their number, or to question the system that makes such sacrifices and suffering a necessary accompaniment.

To record the actual number of these incidents is not possible, since so many of them are never reported for print. As the charged wires are now everywhere, and, like a spirit of evil, are vigilantly alert for mischief, only the most ruinous or the most painful and tragic occurrences can be given the full publicity of the press. Therefore hundreds of cases of minor mishaps and surprising electrical phenomena are without mention, and the great aggregate of the crimes and misdemeanors chargeable to electric energy is never to be known.

One clipping bureau has, since March 1, been gathering the data itemized for public information. I have this scissored matter before me, and an appalling showing it is. That it is irrefutable proof of the awful price we pay for "harnessing the lightning" no reader will question. The summary of this data I append, in month by month transcript, but no summary can impress the story of it all, or express its full significance. Covering as it does the whole gamut of human pain, of shock, terror and alarm, of loss of life, limb and senses, of property destroyed, of peril everywhere, it is an exhibit so startling as to make us wonder why the heavy hand of the law does not peremptorily interfere.

To make such incidents and tragedies impossible, of course, is not practical; but it is possible to hold electric light, heat and power purveyors fully responsible for the work of their terrible conductors. As their vast revenues, secured by extraordinary corporate powers and special franchises, increase with the rapid multiplication of plants and installations, it is imperative that these legalized grantees shall be made responsible by clear cut law for every loss of life and limb, every damage by fire due to the current, and for every instance wherein injury to the person, direct or indirect, results from contact with the live wire, or surcharged third rail.

How effect this? Let public sentiment be so aroused that legislatures will not dare withhold legislation absolutely essential to personal and property protection against any and all electric system inflictions. The public utility of such systems is no factor in the problem of responsibility—none whatever; human life and safety are never to be compromised by the utilities; and as the franchises, each and all, are secured for private or corporate profit, their amenability to individuals and the public must be placed beyond question. That is even-handed justice.

* * * * * *

In this connection it should be added that it now is, likewise, a "well grounded suspicion" that numerous fires are of incendiary origin. It now is so easy to sever a conductor, break an insulation, cross wires or divert a powerful current that detection is practically impossible after the wire has done its work. Insurers are not only justified in giving each risk a searching examination, but to also look into the insured's record. Anything "crooked" in that record should debar the risk.

* * * * * *

The aggregate for the four months of March, April, May and June of this year was as follows:

Electrocuted	94
Accompanied with excessive suffering	24
Maimed, etc.	108
Shocked, etc.	190
Fires, with much loss	138
Fires, with small loss	110
Narrow escapes from death	34
Strange phenomena	31
Horses killed or injured	63

Fire losses due to electricity (computed), $3,634,400.

It is not permitted to remark on individual cases and events in this alarming exposé. Many of them would seem to demand such remark to properly impress the tragedy of it all. I have the story in detail, and should a more elaborate narrative be thought requisite, to determine electric corporations' responsibility, or to aid in urging methods that will obviate this human sacrifice—over 280 victims per year offered up to this moloch of electric energy—I shall not withhold the material. As further data will pour in for a full year, the information will be so complete and unquestionable as to determine, with exactness, the price we pay for this conservation of the terrific yet incomprehensible force which we name electricity.

Official Reports.

Philadelphia Premiums for the First Six Months of 1901.

The following figures are from the returns of the Philadelphia Fire Insurance Patrol, and show the amount collected in pre-

(*Continued on page* 105.)

New York City Fire Insurance Premiums.

The following comparison table shows the receipts of fire insurance companies (Manhattan and Bronx Boroughs) in the city of New York in the six months ending June 30, 1900, and the six months ending June 30, 1901, according to the Fire Patrol returns:

COMPANIES.	Six Months Ending June 30, 1900.	Six Months Ending June 30, 1901.
N. Y. Stock Co's.		
Assurance Co....	$21,065	$32,355
British-American	8,813	14,820
Citizens.....	40,400	55,735
Continental.....	146,275	244,676
Commonwealth..	20,633	26,403
Commerc'l Union	15,046	10,289
Colonial	6,937	29,461
"	....	17,052
Caledon'n-Amer.	4,458	10,760
Eagle.....	28,068	42,760
Empire City.....	8,146	7,275
Greenwich.....	97,472	134,533
German-Amer....	161,974	339,583
German Alliance.	23,667	52,353
Germania.....	82,257	106,163
Globe-Rutgers....	24,362	31,083
Home	137,756	274,858
Hamilton.....	17,430	17,943
Hanover.....	92,556	186,213
Indemnity	6,443	8,038
International.....	10,770	8,269
Kings County....	5,937	10,448
Lafayette.....	18,805	24,335
Magdeburg.....	6,084	6,941
New York Fire..	9,350	10,526
Niagara.....	91,933	107,642
North River.....	52,229	64,304
Nassau.....	5,642	6,156
Northern.....	11,321	22,776
Nat. Standard ...	21,142	32,643
N. British & Merc.	442	5,330
North German....	5,822	6,743
Phenix.....	52,588	111,281
Pelican	15,013	19,292
Peter Cooper.....	12,762	7,919
Queen	37,585	65,459
Stuyvesant.....	20,619	18,846
United States.....	25,605	36,960
Victoria.....	5,982	8,190
W'msburgh City.	23,140	32,783
Westchester.....	29,925	22,765
"	56,160	95,693
Totals.....	$1,462,604	$2,367,655
Associations.		
American Lloyds	$10,886	$10,690
Gt. West'n Lloyds	3,136	4,368
Individ'l Undwrs	34,111	32,521
Isthmus Lloyds..	....	1,713
Mfrs. Lloyds.....	10,803	13,154
Mer. Fire Lloyds.	5,765	2,274
N. Y. Fire Lloyds	....	10,127
N.Y.& Bos. Llo'ds	719	1,117
N. Y. Reciprocal Underwriters...	284	2,136
North American Inter-Insurers..	1,330	7,466
Totals.....	$67,034	$85,567
Foreign Comps. Great Britain.		
Alliance	$9,466	$11,990
Atlas.....	27 969	41,100
Caledonian.....	44,412	54,727
Commerc'l Union	86,837	112,275
Imperial.....	71,963	58,485
Lancashire	59,234	23,120
Law Union & Cr'n	26,484	25,689
Lion.....	25,093	43,558
Liv., Lon. & Globe	204,071	354,128
Lon. Assurance...	67,360	96,601
Lon. & Lancashire	83,698	146,875
Manchester	54,036	67,064
N. British & Merc.	86,110	200,418
Northern.....	42,001	65,856
Norwich Union...	49,416	72,749
Phœnix	111,828	169,666
Palatine	74,189	60,118
Royal	139,372	260,614
Royal Exchange..	16,251	26,038
Scottish Union & National.....	100,718	223,699
Sun.....	67,277	108,755
Union	54,293	86,530
Canada.		
British America..	$59,531	$52,079
Western	52,359	76,386
Germany.		
Aachen & Munich	$22,144	$17,354
H'mburg-Brem'n	32,829	41,108
Trans-Atlantic...	10,440	11,385
Magdeburg.....	23,298	23,601
Prussian Nat'l....	18,426	12,659
Thuringia.....	.....	16,975
Switzerland.		
Baloise	25,175	24,253
Helvetia Swiss...	20,316	20,852
Sweden.		
Svea.....	14,664	20,183
Holland.		
Netherlands.....	23.829	14,019
Russia.		
Salamandra.....	13,847	27,326
Totals.....	$1,818,936	$2,668,134
Agency Companies New York State.		
Agricultural.....	$54.896	$69,804
Albany.....	7,162	8.399
Buffalo Com'rcial.	5,886	6,638
Buffalo German..	8,747	8,798
Erie.....	19,827	6,361
Commerce.....	6,193	6,318
Dutchess.....	11,381	16,373
Glens Falls.....	8,545	10,400
Rochester Ger....	9,397	11,681
Fire Association..	.....	2,414
California.		
Fireman's Fund..	53,288	81,803
Home F. and M..	10,702	12,050
Connecticut.		
Ætna	83,215	126,287
Connecticut	28,365	44,241
Hartford.....	76,138	95,550
Hartf'd (N. Y. U.)	63,559	78,877
National.....	78,622	110,728
Orient.....	30,702	34,311
Phœnix	52,449	60,748
Security	26,064	33,217
Delaware.		
Commercial	.....	391
Indiana.		
Indianapolis.....	5,705	7,631
Illinois.		
Traders.....	20,215	27,884
German.....	21,687	32,541
Louisiana.		
Mec. & Traders..	5,277	3,407
" " ..	.....	6,063
Teutonia.....	14,233	20,560
Maryland.		
Firemen's.....	21,391	22,622
Ger.-American ...	6,630	8,624
Home.....	11,839	16,939
United Fire.....	14,600	14,121
Massachusetts.		
American	6,558	11,045
Boston.....	36,071	55,393
Mercantile.....	6,476	28,099
North American.	12,589	14,952
Springfield.....	47,371	91,657
Michigan.		
Detroit..... ...	7,643	20,025
Michigan	8,573	9,835
Grand Rapids....	7,960	9,210
Minnesota.		
St. Paul.....	17,173	31,670
Missouri.		
Amer. Central....	18,650	43,708
Citizens	13,862	25,468
New Hampshire.		
Capital.....	10,762	11,668
New Hampshire.	17,808	23,476
Agency Companies —continued. New Jersey.		
American.....	$19,298	$32,291
Firemen's.....	21,860	41,860
Merchants.....	11,400	22,212
Newark.....	12,851	19,205
"	.....	913
Camden.....	8,207	19,668
Pennsylvania.		
American	44,652	27,984
Delaware.....	14,779	25,768
Fire Association..	56,865	81,039
Franklin.....	11,924	12,995
Girard.....	9,645	16,243
Ins. Co. County of Philadelphia....	15,529	14,747
Ins. Co. of N. A..	66,585	104,821
Ins. Co. State Pa.	16,851	19,663
Lumbermens.....	12,600	20,089
Mechanics	15,494	22,761
Pennsylvania	63,947	117,269
Reliance.....	24,083	34,738
Spring Garden...	36,388	22,697
United Firemens.	19,572	31,956
Union	17,665	25,050
Allemannia.....	13,851	17,098
German..... ..	9,329	13,170
National Union...	....	9,130
Western	$10,672	$8,749
Farmers	9,935	10,022
Reading	17,889	27,896
Rhode Island.		
Equitable	7,151	13,807
Prov.-Wash.....	32,266	53,323
Virginia.		
Virginia F. & M..	7,120	13,400
Virginia State....	6,292	7,689
Wisconsin.		
Concordia	15,460	18,622
Milwaukee Mech.	11,682	15.538
Milwaukee Fire..	4,189	6,668
Washington, D. C.		
Potomac.....	15,220	15,919
Totals.....	$1,629,012	$2,306,987
Recapitulation.		
Local Companies	$1,649,765	$2,453,222
Agency Comps...	1,680,949	2,306,987
Foreign Comps...	1,828,072	2,668,134
Totals.....	$5,158,679	$7,428,343

Brooklyn Fire Insurance Premiums.

The following table compares the receipts of the fire insurance companies in the Borough of Brooklyn for the first six months of 1900 and 1901, as reported to the Fire Insurance Salvage Corps of that place:

COMPANIES.	Six Months Ending June 30, 1900.	Six Months Ending June 30, 1901.
N. Y. Stock Co.'s.		
Assurance Co....	$2,227	$5,263
British-American	439	2,164
Caledon'n-Amer..	2,135	825
Citizens.....	15,852	35,284
Continental.....	26,145	40,477
Commonwealth..	2,732	3,105
Commerc'l Union	2,858	1,703
Colonial	257	2,432
Colonial.....	.....	1,999
Empire City.....	698	606
Eagle.....	5,187	6,792
Greenwich.....	11,687	12,483
German-Amer....	29,170	46,647
German Alliance.	2,647	7,977
Germania.....	21,345	28,556
Globe-Rutgers ...	5,911	8,663
Home.....	28,624	51,885
Hamilton.....	2,673	3,160
Hanover.....	25,297	22,497
Indemnity.....	1,457	2,106
Kings County....	5,667	6,867
Lafayette.....	1,447	4,537
Lafayette.....	.....	3,146
Magdeburg.....	858	1,460
New York Fire ..	1,243	2,036
Nat. Standard....	2,079	4,847
Niagara	28,119	28,481
North River.....	5,146	6,732
North River.....	5,537	1,711
N. Y. U. Agency.	9,703	13,474
Northern.....	5,454	8,057
Nassau.....	5,686	6,920
N. British & Merc	508	1,834
North German....	609	620
Phenix.....	35,905	45,383
Peter Cooper.....	430	1,909
Pelican	3,680	3,583
Queen	10,783	15,985
Stuyvesant.....	2,502	1,916
United States	4,016	6,878
Victoria	1,899	1,738
Wil'amsb'gh City	15,822	19,149
Westchester.....	3,690	5,342
Westchester.....	5,452	9,784
North American Inter-Insurers..	.....	1,503
Totals	$342,576	$488,518
Associations.		
American Lloyds	$2,048	$2.374
Gt. West'n Lloyds	1,125	914
Indivi'l Undwrs.'	$7,473	$8,198
Isthmus Lloyds..	2	367
Mfrs. Lloyds.....	2.909	4,356
Mer. Fire Lloyds.	1,388	532
N. Y. Reciprocal Underwriters ..	3,708	4,459
N.Y.& Bos. Llo'ds	216	376
N. Y. Fire Lloyds	.....	476
Totals	$18,869	$22,052
Mutual Co.'s.		
Associated Mfrs. Mut. Insurance.	$3,107	$2,492
Foreign Co.'s Great Britain.		
Alliance	1,486	1,979
Atlas.....	9,255	11,892
Commer'l Uuion.	19,534	23,176
Caledonian.....	8,590	8,592
Imperial.....	17,376	11,422
Lancashire	15,418	6,580
Lion	4,104	6,949
Liv., Lon.& Globe	32,860	59,664
Law Un'n & Cr'n.	7,828	7,536
London Assu'nce	9,688	8,891
Lon. & Lanca're..	16,934	22,081
Mancheste.r.....	13,148	12,040
N British & Merc	9,082	7,513
N. British & Merc	12,014	23,406
Northern.....	8,811	20,521
Norwich Union ..	14,512	17,328
Phœnix.....	17,062	26,054
Palatine	8,184	5,822
Royal Exchange..	2,543	6,214
Royal Exchange..	.....	2,739
Royal.....	31,937	42,614
Scot'h Un'n & Nat	18,827	20,206
Sun.....	18,300	24,511
Union.....	15,141	26,187
Canada.		
British America..	2,750	7.172
Western.....	14,371	12,369
Germany.		
Aachen & Munich	3,026	3,672
Hamb'g-Bremen.	5,333	7,353
Hamb'g-Bremen.	5,174	7,982
Magdeburg.....	5,252	4,777
Prussian Nation'l	2,098	3,423

COMPANIES.	Six Months Ending June 30, 1900.	Six Months Ending June 30, 1901.
Germany —continued.		
Transatlantic....	$2.376	$2,806
Thuringia.....	.....	9,458
Switzerland.		
Baloise.....	4,506	5,770
Helvetia-Swiss...	4,190	3,712
Sweden.		
Svea.....	2,646	4,958
Holland.		
Netherlands.....	4,992	3,727
Russia.		
Salamandra.....	1,573	5,210
Totals.....	$373,425	$486,307
Agency Comps. N. Y. State.		
Agricultural.....	$12,486	$3,946
Albany.....	379	150
Buffalo Com'cial.	375	590
Buffalo German..	485	496
Commerce.....	1,454	1,924
Commerce.....	50	16
Dutchess.....	3,118	2,980
Erie.....	3,950	14,051
Glens Falls.....	384	441
Glens Falls	.....	351
Rochester Ger'an	925	1,409
California.		
Fireman's Fund..	6,672	7,581
Home Fire & Mar	848	1,103
Connecticut.		
Ætna.....	8,536	13,703
Ætna.....	3,111	5,815
Connecticut.....	1,146	1,280
Connecticut.....	2,439	12,928
Hartford.....	20,481	24,308
National.....	1,433	18,161
National.....	13,951	1,934
Orient.....	5,052	1,664
Orient.....	.....	5,504
Phœnix.....	6,543	11,225
Security.....	3,630	3,875
Dist. of Columbia.		
Potomac.....	1,942	1,972
Indiana.		
Indianapolis Fire.	846	1,216
Illinois.		
German.....	6,822	7,469
Traders.....	3,195	4,818
Traders.....	1,242	4,329
Louisiana.		
Teutonia.....	2,326	3,919
Mech. & Traders.	4,035	110
Mech. & Traders.	69	4,538
Maryland.		
Home.....	1,892	2,504
German Ameri'n.	422	1,127
United Fire.....	495	186
United Fire.....	1,303	1,145
Firemen's.....	2,740	824
Massachusetts.		
American.....	678	1,041
Boston.....	4,066	10,197
Mercant'e F. & M.	773	3,707
North American..	1,353	1,553
Springfi'd F. & M.	5,501	14,232
Michigan.		
Detroit F. & M...	840	2,031
Grand Rapids....	860	1,075
Michigan F. & M.	887	827
Minnesota.		
St. Paul F. & M...	$750	$965
St. Paul F. & M...	8,221	9,865
Missouri.		
Americ'n Central	3,722	6,713
Citizens.....	2,386	5,217
Citizens.....	1,748	3,873
New Hampshire.		
Capital.....	1,237	1,787
New Hampshire.	1,440	5,300
New Hampshire.	4,915	924
New Hampshire	.....	3,175
New Jersey.		
American.....	909	5,720
American.....	3,084	767
American.....	.....	1,227
Firemen's.....	6,930	12,986
Firemen's.....	477	611
Merchants	5,903	1,418
Merchants	990	6,75[illegible]
Newark.....	753	729
Camden.....	805	2,169
Pennsylvania.		
American.....	3,564	2,302
American.....	6,579	4,982
Allemania.....	374	4,729
Allemania.....	1,575	359
Delaware.....	2,266	4,548
Fire Association.	8,251	13,539
Franklin.....	2,053	1,946
Franklin.....	593	412
Franklin.....	261	1,359
Farmers	1,921	2,136
Girard.....	1,139	2,032
German.....	1,071	1,634
Ins. Co., of Phila.	3,119	3,072
Ins. Co. of N. A.	12,064	19,589
Ins. Co., State Pa.	2,497	2,175
Lumbermen's....	1,453	2,603
Mechanics	2,143	2,390
Pennsylvania....	7,404	19,679
Reliance	2,789	3,325
Reading.....	3,122	4,074
Spring Garden...	6,052	3,546
United Firemen's	2,329	2,883
Union.....	2,244	2,658
National Union..	.....	1,378
Rhode Island		
Equitable F. & M.	4,726	945
Equitable F. & M.	386	4,565
Prov. Wash.....	4,798	4,825
Virginia.		
Virginia F. & M..	766	1,761
Virginia State....	683	882
Wisconsin.		
Concordia.....	4,075	6,034
Milwaukee Mech.	1,550	1,387
Milwaukee Fire..	539	826
Delaware.		
Commercial.....	.....	155
Total.....	$276,459	$401,180
Recapitulation.		
Local Companies.	$401,493	$513,062
Foreign Co's.....	371,115	486,307
Agency Co's.....	291,819	401,180
Total.....	$1,064,427	$1,400,549

(*Continued from page* 103.)

miums by all companies that wrote more than $7,500, exclusive of perpetual, during the six months ending June 30, 1901:

PHILADELPHIA STOCK COMPANIES.

Companies.	Net Premiums.	Companies.	Net Premiums.
American	$49,397	North America.....	$69,957
County	9,140	Pennsylvania	56,080
Delaware	26,949	Phila. Underwriters...	17,191
Fire Association.....	52,385	Reliance	14,917
Franklin	7,750	Spring Garden.....	27,418
Girard	22,879	State of Penn.....	11,653
Jefferson	9,330	Union	6,568
Lumbermen's	15,951	United Firemen's.....	22,808
Mechanics	12,071		

(*Continued on page* 106.)

Life Insurance Payments.

The following is the report of the life insurance companies doing business in the United States to THE WEEKLY UNDERWRITER of the death claims and endowments paid by them during the month of July, 1901:

COMPANIES.	Death Claims.	Endowments.	Total Payments.
Ætna Life.....	$226,443	$126,294	$352,737
Connecticut General Life.....	6,363	2,667	9,030
Connecticut Mutual Life.....	282,959	36,706	319,665
Equitable Life, Des Moines.....	2,489	3,400	5,889
Equitable Life, New York.....	1,058,915	77,198	1,136,113
Germania Life.....	69,993	37,181	107,174
Home Life.....	54,973	20,798	75,771
*John Hancock Mutual Life.....	225,009	.....	225,009
Manhattan Life.....	61,782	6,225	68,007
Maryland Life.....	17,753	1,250	19,003
Massachusetts Mutual Life.....	149,353	35,823	185,176
*Metropolitan Life.....	954,837	1,000	955,837
Michigan Mutual Life.....	51,012	25,376	76 388
Mutual Benefit Life.....	290,178	117,101	407,279
Mutual Life, Louisville.....	40,000	5,900	45,900
Mutual Life, New York,.....	1,086,450	309,372	1,395,822
National Life, U. S. A.....	19,783	.....	19,783
National Life, Montpelier.....	38,435	13,444	51,879
Nederlands Life, U. S. Branch.....	7,000	.....	7,000
New York Life.....	1,251,125	.....	1,251,125
Northwestern Mutual Life.....	482,394	102,766	585,160
Pacific Mutual Life.....	.....	.....	.....
Penn Mutual Life.....	198,819	84,056	282,875
Phœnix Mutual Life.....	70,172	9.175	79,347
Provident Life and Trust, Phila.....	92,462	66,759	159,221
Provident Savings Life, New York....	50,575	.....	50,575
†Prudential, Newark.....	680,303	.....	680,303
State Mutual Life.....	69,692	31,000	100,692
Travelers.....	126,356	13,617	139,973
Union Central Life.....	71,568	28,201	99,769
Union Mutual Life.....	49,929	2,857	52,786
United States Life.....	44,495	4,000	48,495
Washington Life.....	135,667	55,439	191,106
Totals.....	$7,967,284	$1,217,605	$9,184,889

* Partially industrial insurance. † Principally industrial insurance.

Payments Since Organization.

The following table shows the total amount reported paid on death claims and endowments, from their organization to July 31, 1901, inclusive, by the life insurance companies whose monthly lists are printed in THE WEEKLY UNDERWRITER:

Date of Organization.	COMPANIES.	Death Claims.	Endowments.	Total Payments.
1850	Ætna Life.....	$53,159,328	$23,019,072	$76,178,400
1865	Connecticut General Life.....	2,760,613	830,917	3,591,530
1846	Connecticut Mutual Life.....	108,536,877	15,309,428	123,846,305
1867	Equitable Life, Des Moines.....	744,061	225,144	969,205
1859	Equitable Life, New York.....	195,182,052	21,240,247	216,422,299
1860	Germania Life.....	24,953,448	7,918 844	32,872,292
1860	Home Life.....	11,632,502	2,649,158	14,281,660
1862	*John Hancock Mutual Life.....	22,965,372	1,863,084	24,828,456
1850	Manhattan Life.....	29,215,929	2,966,972	32,182,901
1864	Maryland Life.....	2,437,130	179,759	2,616,889
1851	Massachusetts Mutual Life.....	21,286,474	3,531.621	24,818,095
1867	*Metropolitan Life.....	92,000,395	553,716	92,554,111
1867	Michigan Mutual Life.....	4,887,225	2,862,254	7,749,479
1845	Mutual Benefit Life.....	93,278,511	8,637,080	101,915,591
1866	Mutual Life, Louisville.....	3,559,608	295,932	3,855,540
1843	Mutual Life, New York	243,391,112	59,169.029	303,560,141
1868	National Life, U. S. A.....	4,320,006	343,772	4,663,778
1850	National Life, Montpelier.....	10,475.261	1,229,676	11,704,937
1893	Nederlands Life (U. S. Branch)...	992,569	.....	992,560
1845	New York Life.....	157,888,980	10,608,596	168,497,576
1857	Northwestern Mutual Life.....	58,435,178	14,268,169	72,703,347
1868	Pacific Mutual Life.....	.....	.....	.....
1847	Penn Mutual Life.....	29,085,653	4,610,371	33.696,024
1851	Phœnix Mutual.....	22,174,398	4,676,093	26,850,491
1865	Provident Life and Trust, Phila..	16,174,482	9,072,456	25,246,938
1875	Provident Savings Life, N. Y... ..	15.349,256	5,805	15.355,061
1876	† Prudential, Newark..	50,888,849	60,281	50,949,130
1845	State Mutual Life.....	9,689,527	1,965,098	11,654,625
1866	Travelers.....	12,868,500	4,871,276	17,739,776
1867	Union Central Life.....	9,632,367	2,177.453	11,809,820
1849	Union Mutual Life.....	16,127,103	5,434,288	21,561,391
1850	United States Life.....	14,143,255	1,804,448	15,947,703
1860	Washington Life.....	17,573,376	5.964,979	23,538,355
	Totals...	$1,355,809,388	$218,345,018	$1,574,154,406

* Partially industrial insurance. † Principally industrial insurance.

(*Continued from page* 105.)

MUTUAL COMPANIES.

Keystone	$9,756	Phila. Manufacturers	$12,118
Mutual, Germantown	7,646		

PENNSYLVANIA STATE COMPANIES.

Allemannia	$8,238	Reading	$7,695

NEW ENGLAND COMPANIES.

Ætna	$42,296	National	$56,784
Boston	8,356	New Hampshire	19,933
Connecticut	13,104	Orient	10,379
Equitable	9,732	Phœnix	29,012
Granite State	6,575	Prov.-Washington	13,310
Hartford	33,301	Springfield	21,843
Mercantile	6,587		

NEW YORK COMPANIES.

Agricultural	$22,414	Greenwich	$14,285
Citizens	9,176	Hanover	20,028
Commercial Union	7,585	Home	62,007
Commonwealth	7,886	N. Y. Underwriters	24,328
Continental	31,884	Niagara	13,855
German Alliance	25,433	Phenix	22,417
German-American	41,859	Queen	22,925
Germania	15,660	Westchester	14,028
Globe-Rutgers	8,737		

NEW JERSEY COMPANIES.

Camden	$9,598	Firemen's	$8,195

SOUTHERN COMPANIES.

Firemen's	$9,329	Mechanics & Traders	$6,615

WESTERN COMPANIES.

American Central	$7,982	Home	$6,059
Citizens of St. Louis	8,715	St. Paul	11,445
Fireman's Fund	23,650	Traders	9,228
German	10,774		

FOREIGN COMPANIES.

Atlas	$10,911	North British & Merc.	$37,245
Baloise	7,858	Northern	10,989
British America	17,277	Norwich Union	17,892
Caledonian	15,404	Palatine	9,419
Commercial Union	29,263	Phœnix	25,869
Hamburg-Bremen	17,901	Royal	85,717
Helvetia Swiss	7,702	Royal Exchange	12,650
Imperial	8,875	Scottish Union	24,467
Liv. & Lon. & Globe	71,253	Skandia	22,193
London	11,832	Sun	19,970
London & Lancashire	17,615	Thuringia	10,161
Manchester	14,943	Union	11,123
National	12,703	Western	15,986

ESTABLISHED IN 1822.

THE NATIONAL ASSURANCE COMPANY OF IRELAND.

GEORGE E. KENDALL,
United States Manager,
HARTFORD, CONN.

Chartered 1866. 33 Years Successful Business.

The Hartford Life Insurance Co.,
HARTFORD, CONN.

Every desirable form of up-to-date contract is issued by this old and sterling company.
All rates and values guaranteed in the contract.
$18,500,000 Paid in Benefits.
Ratio of Assets to Liabilities, $142 to $100.
GEO. E. KEENEY, President CHAS. H. BACALL, Secretary.

The Largest Fire Insurance Company in Germany.

MAGDEBURG FIRE INSURANCE CO.
Of MAGDEBURG, GERMANY.
ESTABLISHED 1844.
United States Branch, Magdeburg Building, 17 William Street, New York.
PAUL E. RASOR, Manager. AD. DOHMEYER, Ass't Manager.

The Mutual Benefit Life Insurance Co.
NEWARK, N. J.

AMZI DODD, - - PRESIDENT.

ASSETS (Market Values) Jan. 1, 1901 ..... $74,311,468.25
LIABILITIES, N. J. and N. Y. Standard 68,186,103.34
SURPLUS 6,125,364.91

MUTUAL BENEFIT POLICIES
—CONTAIN—
Special and Peculiar Advantages
WHICH ARE NOT COMBINED IN THE
POLICIES OF ANY OTHER COMPANY.

We Offer to Mail, for the Postage,
To Any Fire Insurance Agent

"How to Build a Home." - - 156 pp. Post. 4c
"How to Build Fireproof and Slow-Burning," - - - - 132 pp. " 5c
"Plans and Specifications for Economical Dwelling Houses, Barns, Etc." - - - 75 pp. " 6c
"The Relation of Fire Insurance to the Community." - - - 32 pp. " 2c
"What Constitutes a Safe Electrical Equipment." - - - - Leaflet, " 1c

CONTINENTAL INSURANCE COMPANY,
46 CEDAR STREET, - - NEW YORK

State Mutual Life Assurance Co.,
OF WORCESTER, MASS.
A. G. BULLOCK, President.
Incorporated 1844.
Issues policies, incontestable after two years, protected by the Non-Forfeiture Law of Massachusetts. Yearly dividends.

Assets	$17,754,046
Liabilities	15,889,512
Surplus January 1, 1901	$1,864,534

C. W. ANDERSON, General Agent, 189 BROADWAY, NEW YORK.

Sun Ins. Office of London, England.
J. J. GUILE, U. S. MANAGER.
OFFICE: 54 PINE STREET, NEW YORK.

ORDINARY and INDUSTRIAL PROFIT SHARING POLICIES.

EXCEPTIONAL ADVANTAGES TO
..... Active Agents.
WRITE TO
THE PRUDENTIAL INSURANCE CO. OF AMERICA
JOHN F. DRYDEN, President. Home Office: NEWARK, N. J.

INCORPORATED 1851.

The Berkshire Life Insurance Co.

OF PITTSFIELD, Mass.

All Policies issued by the Company are subject to the Massachusetts Non-Forfeiture Law.

WM. R. PLUNKETT, President.

JAS. M. BARKER, Vice-Pres. JAS. W. HULL, Sec'y and Treas.

Agencies in all the principal cities of the United States.

Established 1782.

Phœnix Assurance Company,

OF LONDON.

FIRE INSURANCE ONLY. LOSSES PAID OVER $100,000,000.

Head Office for the United States, 37 Liberty St., N. Y.

A. D. IRVING, Manager. E. B CLARK, Asst. Manager.
LOUIS P. BAYARD, 2d Asst. Manager.

The Lancashire Insurance Company

OF MANCHESTER, ENG.

MILTON DARGAN, Manager,

25 Pine Street, NEW YORK.

Provident Life and Trust Co.

OF PHILADELPHIA.

The best in Life Insurance is likely to be the cheapest. The same fidelity, skill and care which are necessary to guarantee the future security of a company result in the lowest cost. A good test, therefore, is to determine whether the organization and the surroundings of a company exclude all doubt as to future security. In determining this the question of cost is determined also. **THE PROVIDENT LIFE AND TRUST COMPANY** invites inquiry as to its organization and the provisions for safety afforded. For the full period of its existence the death rate has been only .614 of the rate indicated by the authoritative tables.

Instituted in Reign of Queen Anne, A. D. 1714.

Union Assurance Society of London

No Overhead Writing

No Dual Agencies.

Loyalty to Local Agents.

United States Offices: Society's Building,

35 Pine Street, New York, ... Hall & Henshaw, Managers
171 La Salle Street, Chicago, . . . Hall & Henshaw, Managers
35 Kilby Street, Boston, . . Hall, Henshaw & Gilmour, Managers
English-American Building, Atlanta, Ga., . George N. Hurt, Manager
Mining Exchange Building, Denver, Col., Gerald L. Schuyler, Manager

AGENTS IN ALL THE PRINCIPAL TOWNS AND CITIES.

National Fire Insurance Company,

HARTFORD, CONN.

JAMES NICHOLS, President. B. R. STILLMAN, Secretary.

H. A. SMITH, Assistant Secretary.

HEAD OFFICE, 95 Pearl Street, Hartford, Conn.

WESTERN DEPARTMENT.
FRED. S. JAMES, General Agent.
G. W. BLOSSOM, Asst. Gen'l Agent.
Office, 174 La Salle St., Chicago.

PACIFIC DEPARTMENT.
GEO. D. DORNIN, - Manager.
GEO. W. DORNIN, Asst. Manager.
Office, 409 California St., San Fran.

Caledonian Ins. Co.,

FOUNDED 1805. **of Scotland.**

"The Oldest Scottish Insurance Office."

United States Head Office, 27-29 Pine Street, New York City.

STATEMENT JANUARY 1, 1901.

Assets	$1,910,617.66
Liabilities	1,101,382.62
Net Surplus in the United States	$809,235.04

CHARLES H. POST, U. S. Mgr. N. A. MCNEIL, Ass't U. S. Mgr.

COMMERCIAL UNION ASSURANCE CO.

LIMITED,

OF LONDON.

OFFICE:

Cor. Pine & William Sts., New York.

... The ...

Mutual Life Insurance Company of New York

RICHARD A. McCURDY, President,

Did more business in 1900 than during any previous year.

Income in 1900, - - - $60,582,802.31
Assets December 31, 1900, $325,753,152.51
Insurance and Annuities, $1,141,497,888.02

The history of the Company has been an unbroken record of progress. Its excess of returns to policy-holders has been almost **six** times as much as that of the next largest company and nearly **ten** times as much as that of the third in rank.

Total of Assets and policy payments, $866,232,963
Total premiums received, - - - - $779,134,420

Excess of Assets and payments to policy-holders over total premiums received since formation of Company, **$87,098,543**

It has room for workers who are not rebaters. Address

GEORGE T. DEXTER,
Superintendent of Domestic Agencies,
HEAD OFFICE, NEW YORK.

1846—1901.

THE CONNECTICUT MUTUAL LIFE

Insurance Company.

WHERE THE CONNECTICUT MUTUAL STANDS.

During all the long struggle out of which this situation has developed, and amid the many schemes devised to attract public attention and favor to something else than life insurance, the attitude and position of the Connecticut Mutual have never been doubtful.

It has held to the cardinal facts: Life insurance is for the protection of those dependent on a man's life; their dependence makes it his unavoidable duty. Those dependents we assume to protect by our contract, at his personal cost; our duty to them is to make that protection as large, as secure, and as certainly available to them as possible; our duty to him is to make its cost to him as small as possible.

JACOB L. GREENE, President. **HERBERT H. WHITE, Secretary.**
JOHN M. TAYLOR, Vice-President. **DANIEL H. WELLS, Actuary.**

The Metropolitan Life Insurance Co.

(INCORPORATED BY THE STATE OF NEW YORK.)

"The Leading Industrial Insurance Company of America,"

IS REPRESENTED IN ALL THE PRINCIPAL CITIES OF THE UNITED STATES AND IN CANADA. THE PAYMENT OF OVER 250 DEATH CLAIMS DAILY TELLS OF THE GOOD IT DOES. INSURANCE IN FORCE OF OVER $900,000,000 ATTESTS ITS GREATNESS AND FAVOR WITH THE PUBLIC.

Permanent, Profitable and Progressive Employment.

AGENTS WANTED—Any honest, capable, industrious man, who is willing to begin at the bottom and acquire a complete knowledge of the details of the business by diligent study and practical experience can, by demonstrating his capacity, establish his claim to the highest position in the field. It is within his certain reach. The opportunities for merited advancement are unlimited. All needed explanations will be furnished upon application to the company's superintendents in any of the principal cities, or to the Home Office, No. 1 Madison Avenue, New York City.

JOHN R. HEGEMAN, President.

HALEY FISKE, Vice-President. GEORGE H. GASTON, Second Vice-President. GEORGE B. WOODWARD, Secretary. J. J. THOMPSON, Cashier and Assistant Secretary. JAMES M. CRAIG, Actuary. JAMES S. ROBERTS, Assistant Secretary. STEWART L. WOODFORD, Counsel. THOS. H. WILLARD, Medical Director. A. S. KNIGHT, Assistant Medical Director.

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.

FOUNDED 1792.

Assets, January 1, 1901		$9,583,791
LIABILITIES—Reserved for Reinsurance and all other claims	$4,805,254	
Capital Stock	3,000,000	
Surplus over all Liabilities	1,778,537	$9,583,791

Agents in all the principal towns and cities.

CHARLES PLATT, President. EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. BENJAMIN RUSH, Second Vice-President.
T. HOUARD WRIGHT, Marine Secretary. JOHN B. ATWOOD, Assistant Secretary.

Offices in New York: Fire, William and Pine Sts.; Marine, 63 Wall St.

1825. THE 1901.

Pennsylvania Fire Insurance Co.

OF PHILADELPHIA.

Cash Capital,	$400,000.00
Re-insurance and all Liabilities,	2,771,038.56
Surplus,	2,163,883.97
Total January 1, 1901,	$5,334,922.53

R. DALE BENSON, Prest. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Prest. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

Western Assurance Company.

HEAD OFFICE: TORONTO, CANADA.

INCORPORATED 1851.

Hon. GEO. A. COX, President.
J. J. KENNY, V. P., and Managing Director.

UNITED STATES STATEMENT, JANUARY, 1901.

Assets	$2,016,370.78
Surplus in United States	638,430.59

1850. THE 1901

United States Life Ins. Co.

IN THE CITY OF NEW YORK.

GEORGE H. BURFORD, President.

FINANCE COMMITTEE.

GEO. G. WILLIAMS, *President Chemical National Bank*
JOHN J. TUCKER, *Builder*
E. H. PERKINS, JR., *President Importers' and Traders' National Bank*
JAMES R. PLUM, *Leather*

Active and successful Agents who desire to make Direct Contracts with this well-established and progressive Company, thereby securing for themselves not only an immediate return for their work, but also an increasing annual income commensurate with their success, are invited to communicate with RICHARD E. COCHRAN, 3d, Vice-President, at the Company's Office, 277 Broadway, New York City.

Assets over $8,000,000. **Insurance in Force, over $40,000,000**

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

VOL. LXV. SATURDAY, SEPTEMBER 7, 1901. No. 10.

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Checks and money orders should be made payable to the order of THE WEEKLY UNDERWRITER.

LAST week the Master Builders' Association of Boston voted that no member of that organization should charge less than $40 a day for services as appraiser of fire losses. This means that many losses in and about Boston will not go to appraisal by building experts. Adjusters are brushing up their information on the subject of buildings; and there is certainly an incentive, under the circumstances, for the companies to educate their experts in that line of work. This minimum charge decided upon by the association is out of all reason, and it has been pertinently asked: How many members of the association are earning $40 a day, or $1,000 a month, or $12,000 a year at their regular avocations? People are very glib at talking about "insurance trusts," but here is another kind of "trust" which is threatening insurance profits in the section of its operation. One of the results to be expected from this action is an increase of the loss ratio, as it is the rule of the companies to include in that factor loss expenses not appertaining directly to the compensation of their own employees or to the expense of organizations of a co-operative nature sustained by them.

A SERIOUS condition is confronting fire underwriters in New England, in view of the increase of the electrical hazard, due to the establishment of higher tension wires, as the electric tramway systems, particularly those in the suburban and rural districts, find their field of usefulness extending. A trolley company may have a power station economically served by water power, and as new distances are added to its system, it is naturally inclined to run more highly charged wires from the station. In this way heavier loads and tasks are imposed upon the wires, and cases have been known where a voltage of 13,000 has been reached. From the crossing of such wires great peril is possible, as no fireman can safely cut them; and as water is a conductor of electricity, it would not be safe to play on any part of a building on fire in which the wires would intercept the stream. It would then be necessary to shut off the power at the station, which under some circumstances of a fire might be impossible, and, at best, cause delay in handling it. These new hazards will call either for increased ratings by the insurance companies, or for action on the part of the public or the railway corporations interested in eliminating them. The progress made of late in educating the public mind to the necessity of doing something to diminish fire risk, if insurance protection is to be furnished in sufficient quantity and at moderate rates, gives rise to the hope that by means of publicity something may be done to secure action which shall lead to an avoidance of such perils as we have described.

RECENT advices from Trenton, N. J., give intelligence of an attempt on the part of the industrial life insurance agents of that city to effect some such organization as has been agitated by their brethren of Philadelphia. The object of the movement, as explained by one of its advocates, is "the betterment of the condition of the agents, and relief from the evils from which they now suffer." The *State Gazette* of Trenton, on the 31st ult., printed an open letter, over the signature "J," in which the present state of industrial agents was described as one of "slavery," and the attitude of the companies as "outrageous." The following quotation from this remarkable communication will serve to indicate the general tone and temper of the leaders of the movement:

> Insurance agents, at least those in the employ of the leading industrial companies, are, under the present system, virtually slaves.
>
> They must submit to any injustice the companies may inflict upon them, and if a voice is raised in protest it is immediately silenced by the agent's dismissal. After an agent is discharged from one company it is practically impossible for him to secure employment with another.
>
> Even though he has done nothing wrong, he has dared to assert his rights, and that is sufficient. If an agent wishes to resign from the service of a company, he is compelled by his contract to give at least one week's notice. The company, however, can discharge an agent without a moment's notice. They not only do this, but also prevent him from working for another company in the same city for a period of two years.

To the average observer of insurance conditions such an outbreak as this will occasion surprise and bewilderment. The relations between industrial life insurance companies and their agents have always been peculiarly intimate and friendly, and it is difficult to appreciate the animus that underlies so impassioned a tirade. Industrial insurance is an unusual business, reared on a foundation of extreme detail. It would have been impossible to build up such companies as we have in this country without requiring the greatest exactness in agency affairs and a careful observance of systems of accounts. So far from feeling aggrieved, industrial agents ought rather be grateful for the fairness and liberality of the treatment they have received and for the opportunity that was afforded them to make a living with insignificant preparation or responsibility to themselves. There may be no very great financial return in securing these small applications, but it is generally felt that the average industrial agent would not have been a large money maker in any other line. Nor is it unreasonable to believe that the agents themselves are not the least beneficiaries of the business of industrial insurance, and that the companies are doing a great economic good in supporting so extensive a following of representatives. Protection might be as properly extended to the companies

against the unreliability and, too often, the dishonesty of the men in the field, as to the latter against the former. There are too many instances of agency embezzlements on record to justify any relaxation of the rigorous rules that are now employed in the administration of the business.

THE action of the National Fraternal Congress at its recent annual meeting in determining to reaffirm its position of last year with regard to increasing its rates, and to even take another forward step and coerce its members into compliance with this resolution, has stirred up no little bad blood among fraternal men and promises to result in even more of a disaffection than followed the convention of 1900. At that time the Congress resolved to adopt a uniform law, and recommend its passage to the legislatures of the several States, requiring beneficiary societies paying death benefits to charge a mortuary assessment rate consistent with a mortality table prepared by the congress. In spite of violent opposition at the time, this measure was passed, and the result has been the organization of an independent Congress, thirty-five or forty societies strong, with the one fundamental principle of antagonizing this law. So far as practical results go, but four State legislatures made the uniform rate bill a law, viz., in Indiana, Tennessee, Washington and North Dakota. At its convention last week the Congress took a still more radical step and decided not only that this bill be pushed with even greater energy than before, but that new societies be required at once to adopt a rate consistent with the mortality table of the Congress, and that the old societies must get upon a similar basis by July 1, 1905. The text of the new resolution follows:

Resolved, That the uniform bill be so amended as to require beneficiary societies paying death benefits, hereafter organized, to provide rates which shall not be less than the minimum rates shown to be necessary by the mortality table in said bill incorporated, and that after July 1, 1905, the provision shall apply to all other fraternal beneficiary societies paying death benefits organized and doing business in the State; and,

Resolved, further, That the amendment to the present uniform bill shall make provision so that each society can determine and adopt for itself such plan, whether level rate, step rate or modifications, with provisions for term insurance or during the so-called period of dependency, death assessment or other, so long as the result reached conforms to the requirements of the mortality table adopted by this congress.

Without endeavoring at this time to consider the radical and autocratic attitude assumed by the Congress in thus dictating terms to its members, we are inclined to compliment the organization upon the influx of light and intelligence that has inspired it to make even this advance toward safety and saneness. How fraternal managers could consistently anticipate a secure future while charging $5 for $1,000 of life insurance and eventually paying out seven or eight times as much as they received has long been a mystery. The Modern Woodmen of America are "guaranteeing" life protection for $4.95 per $1,000, whereas it is in reality only term insurance, and questionable insurance at that. It is believed that this order will have to withdraw from the Congress or retire from business as a result of this new move. There is bitterness and heart burning throughout the fraternal camp in consequence of the resolution, and the public is enabled to judge for itself how tenaciously fraternalism cleaves to that venerable bait—cheapness.

Facts and Opinions.

PATRONS of the Kansas Mutual Life insurance company of Topeka have been sent the following circular by Insurance Superintendent Church, of Kansas, vindicating the company from the odium recently heaped upon it:

You are probably aware that an action has been instituted against the above named company. I am confident that the company will come out of this litigation with flying colors and that in the end the solvency and integrity of the Kansas Mutual will be more firmly established than ever.

Four exhaustive examinations of the company have been made by the State Insurance Department, the last one of which was made under the direction of the undersigned. Each examination revealed the fact that the company was under excellent management and that it was in a prosperous condition.

Without reference to the outcome of the pending suit, it is positively true that no verdict can disturb the solvency of the company or its reorganization upon the legal reserve basis. This reorganization occurred in February, 1892.

The full legal reserve is now maintained by a deposit with the Kansas State Treasurer of approved, interest-bearing securities, which are held intact for the protection of all policies issued, and these securities are ample for the purpose named. The amount now on deposit is over $400,000, and other securities are added from time to time as the company's policy obligations increase.

I believe that the Kansas Mutual Life insurance company is worthy of every confidence and that as a home institution it is especially entitled to the support of the citizens of Kansas.

FROM the report of the superintendent of the Boston Protective Department we gather the following information for Boston during the month of July:

Total number of alarms of fires	191
Number claiming no loss	85
Number where loss was had	106
Total insurance on buildings and contents	$1,943,051
Total loss on buildings and contents	218,359
To the causes of fires were attributed:	
Bonfires and boys	36
Matches—children and rats	24
Kerosene oil	16
Firecrackers and fireworks	15
Sparks	12
Incendiary	10
Unknown	13
Electric light wires	2
Other causes	63

FIVE prominent marine insurance agencies of Boston, namely, John C. Paige & Co., Field & Cowles, George O. Carpenter & Son, R. A. Boit and O'Brion & Russell, have combined in the establishment of a brokerage office for marine insurance at Room 35, No. 85 Water street, and have placed it in charge of Messrs. C. H. Nutting and E. T. Wells. The last named gentleman formerly conducted the Boston office of the Johnson & Higgins Corporation (headquarters in New York), which was discontinued several weeks ago. At that time, it may be recalled, Mr. F. G. Macomber, also a marine insurance agent, took over the Boston interests of the Johnson & Higgins Corporation, which in turn absolved the New York office of Mr. Macomber. The inference lies near that the firms which have "syndicated," so to speak, in the establishment of the new office will make a drive for the lines once controlled by the Boston end of the New York corporation.

THE following is from a circular sent out by Secretary John P. Hubble, of the Western Union's committee, on the "Dissemination of Information Anent the Legislative Conference at Cleveland":

We desire the repeal of burdensome laws and that no affirmative legislation be advocated that will affect one class of companies or insurers to the detriment of others. We believe that the time is at hand when all under-

writing interests and the insuring public can find a common ground to stand upon, and, though we may differ as to details, we think experience has demonstrated that an act regulating the other fellow's business is not a panacea for insurance ills. We assure you that this invitation is extended in the utmost good faith and sincerely hope you may, by your presence and counsel, assist us to a solution of the problem of bettering our business.

THE report of the Boston Protective Department covering the fires of last July, in that city, records losses aggregating $218,-359. Great as is this amount, it is moderate when compared with the loss for the corresponding month of 1900, which was upward of $408,000. Of last July's losses $147,534 on buildings and $65,-879 on contents was covered by insurance, while the amount not so covered was less than $4,000 in both categories. An unusual circumstance about these losses was that not only was the buildings loss greater than the contents loss, but considerably more than twice as heavy.

THE Minnesota Association of Local Fire Insurance Agents held its annual meeting on Monday and Tuesday at St. Paul. A resolution was passed calling for such legislation in the matter of resident agencies as is now in effect in Arkansas and North Dakota. Election of officers resulted as follows: President Benj. F. Knouf, St. Paul; first vice-president, O. H. Clark, Duluth; second vice-president, E. E. Miller, St. Peter; third vice-president, D. M. Baldwin, Red Wing; fourth vice-president, A. W. Armatage, Minneapolis; secretary and treasurer, E. P. Roberts, St. Paul.

AN organization for inter-insurance only has been formed at Chicago by H. J. Straight, a well-known local agent of that city, to be styled the Merchants' Exchange. Business will be written at tariff rates, with lines limited to $50,000. Subscriptions among business firms will be limited to houses with commercial ratings of not less than $200,000. Liability is to be limited to five times the amount of subscriptions, which are to be paid in in cash and held as a reserve fund. Mr. Straight is to be the manager and attorney, supported by an advisory board.

A MEETING of Ohio insurance men, Union and non-Union, and of the Cleveland Exchange was held at Cleveland on Thursday. Joseph O. Dye, of the Royal insurance company, presided. Methods of meeting hostile legislation were discussed, and a committee of fifteen was appointed to which was intrusted the task of drawing up bills for the repeal of the anti-compact law, the repeal of the anti-coinsurance law, the passage of an Ohio standard form of policy and a surplus line law.

REFERRING to the recent rate advance made by the Ohio Inspection Bureau, Hall & Harter, leading local agents of Akron, have circularized their companies in protest. We quote from their circular as follows:

Can't you and won't you see that no general upheaval occurs in rates and that the schedule referred to will be applied for a while at least, only where new ratings are required by changes in old structures or the erection of new ones. Unless this is done, in our opinion, considerable opposition will develop in this county to the measures we have been asked to aid and support at the coming session of the Legislature.

UNDER the new legislative act of New York the tax on insurance companies is not payable until after October 1, and therefore will not be a part of the revenues of the current fiscal year, which ends September 30. It is estimated by the Comptroller that the tax on insurance premiums will exceed $145,000. When the books for the year were closed, on August 25, it was learned that the insurance companies had paid in taxes $22,000 in excess of the total amount paid by them last year.

IT is the intention of the Employe's Liability Assurance Corporation to erect an office building in Boston, where its United States headquarters are situated under the efficient charge of Managers Appleton and Dana. The American end of this organization is in urgent need of more room, as its business has flourished like a green bay tree, and it is hoped that it will soon succeed in securing an eligible site for the projected structure.

IT is understood that the contract between Weed & Kennedy, of this city, and the Aachen and Munich insurance company will terminate by mutual consent at the close of the year. Manager Schroeder has not yet decided whether to add this territory to that of Western Manager J. A. Kelsey, and so make him United States manager, or to operate the Eastern department separately, as at present.

THE following gentlemen comprise the Massachusetts delegation for the fire agents' convention at Put-in-Bay next week: W. E. Davenport and William Gilmour, Boston; J. B. Durfee, Fall River; Jones Frankle, Haverhill; W. A. Putney, Leominster; A. C. E. Stimson, Braintree; S. P. Fenn, Stockbridge; H. A. Poole, Brockton; J. F. Robinson, Waltham; P. A. Woodward, Franklin.

DELEGATES to the approaching convention of the National Association of Life Underwriters at Portland, Me., are to be entertained on the afternoon of the 13th by a sail among the islands of Casco Bay under the auspices of the Union Mutual Life insurance company. The steamer Aucocisco, with Chandler's First Regiment Band, will leave Portland Pier at 2 o'clock, returning about 6 o'clock.

THE Pan-American Exposition Information Bureau, which the Buffalo Association of Fire Underwiters has been conducting under the management of Mr. Frank T. Bloomer, has been of great service and convenience to visiting underwriters, and many who have not yet attended the Exposition will be glad to learn that the board has decided to continue it until the gates are finally closed in October.

SOMEWHAT of a novelty in the line of life insurance companies has appeared at Honolulu in the Orient Life insurance company, which is just organizing there. It is to be capitalized at $200,000, and will have a number of wealthy Chinese merchants among its stockholders. Business will be sought in the Hawaiian Islands and in the leading cities of the Pacific Coast and China.

H. D. SEELEY, the originator of the plan for a course in fire insurance in the University of Chicago, of which he is to be in charge, has started out with a subscription paper among the insurance men to raise the $5,000 guarantee required for four years by the university authorities. He also expects business men who carry large amounts of insurance to contribute.

THE reputation of the fraternals for extreme deliberation in the settlement of losses is being sustained in a number of instances that have recently come to our attention. One of these concerns, the Supreme Tent of Maccabees, has had to be sued by Mrs. Emma Goodell, of Bowling Green, Ohio, to enforce payment on a certificate on the life of her late husband.

THE executive committee of the Chicago Underwriters' Association has decided to recommend that a rule be adopted to provide that notices of cancellation henceforth go direct to the assured, and so obviate delays and misunderstandings. The plan is to have the association forward such notices, with a complementary duplicate to agent or broker controlling the risk.

A REPORT for the quarter ending June 30 has been submitted to Mayor Van Wyck by Fire Commissioner Scannell of this

city. There were 1,174 fires in the Borough of Manhattan during these three months, involving a loss on buildings and contents of $797,983, and in the Boroughs of Brooklyn and Queens there were 659 fires, with losses of $745,905.

COMMITTEE changes have occurred in the New York Fire Insurance Exchange as follows: Arbitration—F. C. Moore succeeds Marshall S. Driggs; brokerage—Robert J. Newman succeeds D. D. Leeds and George W. Hoyt succeeds T. D. Belfield; executive—T. Y. Brown succeeds W. S. Banta; rate—E. F. Schleyer succeeds George W. Hoyt.

AN early report, to the effect that the Texas Secretary of State had decided to accept anti-trust affidavits so interlined as to nullify the extra-territorial feature of the anti-trust agreement, has been officially denied. Those foreign companies that relied on the acceptance of such an affidavit and continued business are now subject to a heavy fine.

IT has been announced by Mr. H. S. Mallett, foreign superintendent of the Manchester Assurance Company, that the accident department of that company has been discontinued and the business transferred to the Lancashire and Yorkshire Accident Company. The management will hereafter devote its attention to fire insurance exclusively.

THE Missouri Insurance Department has announced that hereafter blank forms of reports will be inclosed with the annual statement blanks to fire insurance companies, so that an exhibit of premiums received and losses incurred may be sent in, not only for Kansas City and St. Louis, as formerly, but for all sections of the State as well.

"THE Policyholders' Protective League," organized August 19, to fight the Hartford Life insurance company, collapsed by the mutual consent of its members on the 28th ult. Resolutions of disbandment were adopted, and the reason given was that the information given concerning the company was misleading and without foundation.

LIEN notes are not approved by Insurance Commissioner Barry, of Michigan. In his annual report, just issued, he observes:

> I am frank to say that I have grave doubts of the feasibility of the undertaking. The so-called lien notes are, in my judgment, of no more value to a company than the power to levy extra assessments. This right should never be considered a reliable asset, such as should constitute a reserve.

ATTORNEY-GENERAL PYLE, of South Dakota, has rendered Insurance Commissioner Schober an opinion to the effect that all fraternal orders that issue an insurance contract are not exempt from paying the regular 2 per cent. tax on assessments. From this source there will be due the State in back taxes $50,000.

ON Tuesday the Cincinnati Underwriters' Association held a special meeting and adopted the following resolution:

> Resolved, That from this date no pro rata cancellations of policies shall be permitted where the total insurance amounts to or exceeds $10,000 except the cancellation first receives the sanction of the executive committee.

INSURANCE Superintendent Yates, of Illinois, has been mandamused by H. H. Klayer to compel him to bring action against the Ætna insurance company. Klayer charges the superintendent with being dominated by the Ætna.

AN attempt to defraud the Chicago Board of Fire Underwriters by means of a check signed with a rubber stamp bearing the name of the board has resulted in the arrest of the three men who presented the check for payment.

AT the twenty-ninth annual convention of the International Association of Fire Engineers, held in Indianapolis last week, careful consideration was given the subject, "Does the present method of extinguishing fires occasion unnecessary loss by water? If so, what is the remedy?"

TEXAS fire underwriters are exercised over the serious hazard involved in the oil "gushers" of Beaumont and Port Arthur. The district is saturated with oil, and the extreme carelessness of the workmen and the laxity of the laws greatly increase the danger from this exposure.

HAVING been assessed for $119,000 by the Board of Review sitting in Des Moines, the Hawkeye insurance company has appealed to the courts in resistance of payment on the ground that it already pays a State tax in lieu of all other, and that this new levy is double taxation.

THE State Department at Washington has received a note from the Netherlands Legation announcing that the Second International Congress of Physicians of Insurance Companies will be held in Amsterdam September 23 to 25, and inviting the United States to send official delegates.

THE will of the late Henry E. Bowers, former resident United States manager of the North British and Mercantile insurance company, has been filed for probate at Dedham, Mass. It disposes of an estate that is approximately valued at $300,000.

THE Michigan Field Club held its regular meeting at Ottawa Beach on Tuesday, and voted to recommend to the companies the attachment of the 80 per cent. value clause to all policies covering stocks of manufacturing establishments.

MILWAUKEE tanneries are under a cloud with the insurance companies from having established patent leather departments in their main buildings to the consequent great increase of the hazard. Patent leather risks have never been profitable.

THE Cleveland *Plain Dealer* hints that the Ohio Insurance Department is negligent in the matter of examinations, and that a number of building and loan institutions of that State have not been subjected to official scrutiny for several years.

TRENTON (N. J.) industrial insurance agents are trying to emulate the example of the Philadelphia agents and organize into a union for the protection of their interests against what they seem to regard as the injustice of the companies.

SUIT has been brought against the St. Joseph (Mo.) Lodge of the Modern Woodmen of America to compel payment on a $2,000 certificate carried by Edwin H. Lamberson, lately deceased. The order refuses to settle the claim.

BECAUSE water service was not given promptly, as demanded by contract, the Hunt Cannery Company, of California, and a number of insurance companies are suing the Haywards California Water Company for $125,000 damages.

THE insurance companies have declined to pay the $40,000 loss on the City Hall of Houston, Tex., unless the city will agree in good faith to bring suit against the waterworks company for damages.

THE committee on arbitration of the difficulties between Stafford, Goss & Co. and the Ohio Inspection Bureau adjourned on Tuesday without rendering a decision. Their conclusions will probably be given out in a few days.

IT has been estimated at Chicago that the fire insurance premiums of Cook County aggregate $9,000,000 annually, and that

$8,000,000 of this amount can be credited to the companies in the Chicago Underwriters' Association.

St. Louis fire insurance agents have finally effected an organization for the regulation of brokerages and matters of importance to the business, rates excepted. Each member has deposited $300 as a guarantee of good faith.

That notorious pursuer of the Ætna insurance company, H. H. Klayer, has transferred his attention to the Springfield Fire and Marine insurance company, bringing two suits for alleged violation of the insurance laws.

It has been announced by Superintendent of Insurance Hendricks that the Masonic Equitable Accident Association of Boston, later known as the Equitable Accident Company, has withdrawn from New York.

It is understood that approximately $250,000 of life insurance was carried by Robert M. Wilson, formerly owner of the Robert M. Wilson Bath Tub Works, of Rome, N. Y., who died from a pistol shot on Sunday.

The United States Life insurance company has taken steps to foreclose a mortgage which it holds on the seven story apartment house, "The La Grange," at Eighty-third street and Central Park West.

A new and attractive health policy has been issued by the Preferred Accident insurance company, which contains all the best features of the higher grade contracts that have of late been put on the market.

The Texas Insurance Department has brought an injunction suit against the Williamsburgh City Fire insurance company because of the refusal of President Driggs to sign the required anti-trust affidavits.

An opinion has been rendered to Insurance Commissioner Dearth by Assistant Attorney-General Donahower, of Minnesota, holding that credit insurance does not come under the law of that State.

At a stockholders' meeting on Wednesday it was voted to increase the capital stock of the American Central insurance company from $600,000 to $1,000,000. Four thousand additional shares will be issued at $100 a share.

Adjusters have fixed the loss to the Standard Sanitary Manufacturing Company's plant, of Louisville, Ky., at $56,000. The buildings were insured for $376,000, and the loss was figured at 15 per cent.

The Dennis Underwriting Agency Company of St. Louis has been incorporated, with a capital stock of $10,000, by Messrs. Hugh C. Dennis, Sigamun Hasgall, Elisha C. Walden and others.

The perennial rumor of the appearance of a "powerful syndicate" to buy up a leading insurance company was in evidence again this week. Its disappearance was a little more sudden than usual.

The committee of the Western Union on the revision of rules is holding frequent sessions, and important developments are expected from this source at the forthcoming annual meeting.

Justice Connelly, of Springfield, Ill., has dismissed the suit brought against former Insurance Superintendent Van Cleave on a charge of abstracting State papers from the department.

Shingle mills of the Northwest are to be rated higher. San Francisco managers have agreed on a plan of rate equalization, with credits for improvements and fire fighting facilities.

Improvements in fire protection aggregating $100,000 are in contemplation by the Merchants' Association of Indianapolis in order to secure a reduction in insurance rates.

Knoxville, Tenn., is being inspected and re-rated by Rating Commissioners George G. Gano and H. W. Morrison, of the Kentucky-Tennessee Board.

On the 29th ult. the Northwestern National Life insurance company of Minneapolis absorbed a small concern of Madison, Wis., with a similar name.

The application of the American Service Union and Investment Certificate Company of New York for admission to Ohio has been refused.

Seventeen local agents at Marion, Ill., have agreed to the establishment of a stamping secretary, and are pledged to maintain tariff rates.

Taking depositions at Chicago, for use in the contest over alleged violations of the Kansas anti-trust law, continues with unabated zeal.

Compliments on the Pan-American exhibit of the Prudential insurance company have been general among visitors to the Exposition.

The Benevolent Protective Order of Beavers, a fraternal beneficiary association of Detroit, Mich., has been refused a license in Ohio.

A voluntary dissolution of the Queen City Mutual Fire insurance company of Buffalo has been effected and a receiver appointed.

Rates are shortly to be reduced at Scranton, Pa., on account of improvements recently made in the fire fighting facilities there.

The National Fraternal Congress held its annual meeting in Detroit last week. A uniform minimum rate was adopted.

According to rumor, the Union Central Life insurance company is to go on a 3½ per cent. basis January 1.

The *Journal of Commerce* puts the fire loss of the United States and Canada during August at $8,334,000.

At Pine Bluff, Ark., the Jefferson Mutual insurance company has been incorporated.

The South Eastern Tariff Association has declined to change the transit cotton form.

The Mutual Life Insurance Association of Georgia has been organized at Athens.

Another case of "graveyard" insurance has been unearthed at Dublin, Ga.

Texas has admitted the Mutual Life insurance company of Kentucky.

Ohio has admitted the Moscow Fire insurance company.

Personal

AGENCY APPOINTMENTS.

Ætna: Charles N. Hobart, Braintree, Mass.

Albany: George D. Rogers, Salem; J. F. James & Co., Lawrence, Mass.

Albany: Simpson & Ide, Boston, managers for Eastern Massachusetts.

American, Pa.: W. H. Richardson, Ashburnham, Mass.

American of Boston: Chadbourn & Braden succeed W. A. Barnes & Co. at Minneapolis.

Berkshire: H. P. Hitchkiss, Cleveland, Ohio.

Caledonian: A. H. Sanford, special agent for Michigan.

Citizens, Mo.: Charles E. Ryder, Middleboro, Mass.

Citizens of Missouri: George C. Buell, Boston, special agent for Massachusetts and Rhode Island.

Concordia: Henry A. Bartels, Chicago, special agent for Michigan and Ohio.

Delaware: George T. Wilson, special agent in Ohio, succeeding H. F. Crawford.

Fireman's Fund: E. P. Stanley, Manchester, Mass.

Greenwich: W. D. Deane, formerly Southern general agent of the Magdeburg Fire insurance company, to be supervising special agent for the Southeastern field.

Hamburg-Bremen: Charles L. Young, Springfield, Mass.

Home F. & M., Cal.: Ashton & Eddy, Attleboro; Frank E. Hatch, Fitchburg, Mass.

Home Life: J. K. Hume, Stoughton, Mass.

Imperial: A. F. Sewall, Dallas, special agent for Texas and Oklahoma.

Manchester: William B. Medlicott, Springfield, special agent for New England.

National Surety, N. Y.; Homer G. Gilman, Springfield, Mass.; Ernest Johnson, Springfield; Daniel J. Gray, Worcester.

National Union of Pittsburg: W. B. Bierce, Detroit, State agent for Michigan.

New Amsterdam: W. A. Chowen, Chicago, resident manager.

New York Life: W. H. Preston, Atlanta, Ga.

Pacific Surety: Trebus & Kreissmann, St. Louis, general agents for Missouri.

Penn Mutual: A. T. Harper, Macon, Ga.

Prudential: Albert Laib, Rockford, manager for several adjacent counties.

United States Life: William J. Robinson, Erie, general agent for Western New York, with offices at Buffalo.

United States Life: R. B. Hall, superintendent agencies for Alabama and Georgia.

Westchester: Holyoke & Russell, Marlboro, Mass.

Mr. F. W. P. Rutter, manager and secretary of the London and Lancashire Fire insurance company, has arrived in Canada via the Allan steamship line. He purposes visiting the larger cities of the Dominion and the States, returning to England October 12.

Mr. A. W. Masters, United States manager of the London Guarantee and Accident Company, and his representative at Chicago, Mr. F. A. Price, have been entertaining Chicago insurance men with cruises on their fast yachts, the Vencedor and the Siren.

Mr. Charles W. Mussey, whom President McKinley recently pardoned from a jail sentence for wrecking the Merchants National Bank of Rutland, Vt., has gone to Albany, N. Y., to take charge of the insurance business of his brother-in-law, W. F. Winship.

Dr. George William Wells, founder of the *Medical Examiner and Practitioner*, and a medical examiner of the Manhattan Life insurance company, died at his home at Richmond Hills, L. I., on Tuesday, in the fifty-eighth year of his age.

Mr. David Quackenbush, of Mount Vernon, N. Y., died at his home August 27. He was at one time president of the Commercial Fire insurance company of New York, whose employ he entered as a messenger boy.

Mr. Louis Bauer, a member of the board of managers of the Equitable Life Assurance Society, died at his home in this city Wednesday morning. He had been associated with the Equitable for twenty-two years.

Mr. Solomon W. Albro, a director in the Greenwich insurance company, the United States Fire insurance company and others, died at Delaware Water Gap on Monday.

Mr. Phil A. Rush has resigned the presidency of the Mississippi Fire Association, of Senatobia, Miss., and been succeeded by Mr. George Wilson, of Greenwood, La.

Mr. James Allan Cook, manager and secretary of the State Fire insurance company of Liverpool, is expected in this country before the close of the month.

Mr. Richard A. McCurdy, president of the Mutual Life insurance company, has been made a director of the Industrial Trust Company of Providence.

Mr. Israel W. Durham, insurance commissioner of Pennsylvania, arrived home from six weeks in Europe on the steamer Deutschland, August 29.

Mr. Charles McLaren, Liverpool representative of the Phœnix Fire insurance company of Hartford, will arrive in New York in a few days.

Mr. J. W. Pressey, general agent of the Penn Mutual Life insurance company for Western New York, sailed for Europe last week.

Mr. Prescott Chamberlain, Boston agent of the United States Fire insurance company, is established in new quarters at 18 Exchange place.

Mr. Fritz Schroeder, manager of the Aachen and Munich insurance company, left on Tuesday for the Pacific Coast.

Mr. O. W. Ireland, a local agent of Oshkosh, Wis., has been adjudged insane and taken to the Northern Asylum.

Col. M. T. V. Bowman, Iowa manager of the Washington Life insurance company, died at Des Moines August 26.

Mr. V. C. Driffield, Pacific Coast manager of the Transatlantic Fire insurance company, is visiting in New York.

Hon. John M. Pattison, president of the Union Central Life insurance company, is on a vacation in Canada.

Miscellany.

Conditions in New Hampshire.

(*By Insurance Commissioner John C. Linehan.*)

A controversy in relation to rates charged for insurance on property in New Hampshire has recently been waged in the insurance press between the domestic and the foreign companies authorized to do business here. The latter are forbidden by law to combine with other authorized companies in making rates for the insurance of property in this State, and their managers claim that the rates made by the managers and agents of domestic companies are lower than those in other States.

To this charge the reply is made by the natives, "that the rates on manufacturing risks, and special hazards, in New Hampshire, are at least one-fourth higher than they are in the others, while our rates on preferred business are at least 50 per cent. higher, all things being equal." The foreigners reply to this, saying: "A comparison with Massachusetts, Connecticut or Rhode Island would not be fair, because a large single city of the size of Boston would affect materially the average premium per $100 at risk.

"A comparison of the three Northern States, however, shows that the average premium in Maine for twenty-one years was 1.87 per cent.; in Vermont, 1.38 per cent., and in New Hampshire, 1.24 per cent."

The controversy has this much of interest to New Hampshire people: When the outside companies, or rather the insurance press, representing them, desire to attack the valued policy law, they call attention to the increase of rates in New Hampshire, which they claim is in consequence of its passage, but now the parties representing the foreign companies in this contest claim that the rates are lower here than they are in Maine and Vermont—States not possessing valued policy laws; thus furnishing an illustration of the old adage:

"When the devil was sick, the devil a monk would be,
When the devil was well, the devil a monk was he."

New Hampshire fire experience for 1900 was not up to its average, but its fire record since the passage of the valued policy law is better than is that of Massachusetts, Maine, Vermont, Rhode Island, New York, Pennsylvania, Maryland or Delaware during the same period.

The following figures, covering the experience of twenty years, prove this statement. They are taken from the annual report of the National Board of Fire Underwriters for 1901.

The experience of Connecticut and New Jersey is also given so as to include the loss ratio of all of the Eastern and Middle States.

Ratios of losses paid to $100 of premiums received: Connecticut, 46.8; New Jersey, 48.3; New Hampshire, 49.9; Rhode Island, 50.4; Maryland, 56; Pennsylvania, 58.1; Massachusetts, 59; New York, 59.6; Maine, 60.3; Delaware, 64.9, and Vermont, 69.3.

This covers the experience of the joint stock companies only. If the experiences given had been for the past fiften years instead of twenty, New Hampshire would have been in the lead for the lowest loss ratio.

As it is, it ranks third among the States mentioned, for twenty years, with practically no difference between its loss ratio and those of Connecticut and Rhode Island preceding it. With such a showing, and the figures are taken from an authoritative source, namely the annual report of the National Board of Fire Underwriters, the average reader can see no necessity for the increase of rates in New Hampshire, and parties seeking insurance are justified in protesting against it.

Fire Insurance in China.

(*The Shanghai Mercury.*)

The misdeeds of the Chinese fire insurance broker, who preys alike upon the foreign insurance agents who are so ill advised as to employ him and upon the native insured who are blind enough to confide their business to his care, have at length culminated in an outrage so gross that it becomes nothing short of a public duty to expose the true character of this moral pest. For many years past it has been customary with these unscrupulous persons to "squeeze" their clients in every possible way; and it is not so very long ago since a member of the class was found, in collusion with a gang of habitual fire raisers, to have been concerned in quite a number of cases of incendiarism, and met with some, although an inadequate, measure of punishment in consequence.

As a result of the admitted abuses arising from the employment of native brokers, the Fire Insurance Association in May, 1897, passed a resolution abolishing the payment of brokerage on Chinese business, but sufficient pressure was brought to bear upon the matter by those agents who were chiefly dependent upon the employment of brokers for the procurement of native business that the resolution was in the following December rescinded; and from that time to this the evil has become more and more rampant, until it has become a serious menace not merely to the maintenance of the existing agreement between the various offices operating in Shanghai, but to the legitimate conduct of Chinese fire insurance altogether.

Traders all over the civilized world find protection against fire essential to the transaction of their business; and within the past twenty years the Chinese merchants and bankers in Shanghai have become fully alive to its advantages. The better class of these, like the better class of foreign insurance agents, will have nothing to do with the brokers to whom we refer, and prefer to do their business direct. Those, on the other hand, who do employ these brokers are sooner or later made to repent it. In the case of the foreigner, the broker would smile at the idea that he should work upon the modest scale of brokerage allowed by the general agreement between offices; and insists upon extra remuneration on such a basis as to materially curtail either the agent's commission or the company's profits, or both. But from the point of view of the Chinese insured the evil is even greater, for no sooner does a fire occur than the broker puts in his claim for a share of the insurance proceeds; and not unfrequently, if his claim should be demurred to, threatens to use his influence to obstruct a settlement. It is a maxim with fire insurance companies that claimants shall receive their indemnity (which, however, must not include any profit) without any deduction or discount whatever, but this reasonable and excellent rule is frustrated by the interference of the Chinese broker.

We have in fact heard of one instance in which a broker in seeking to enter into an agreement with a foreign agent, made it a condition that checks in payment of losses on business of his introduction should be handed to him for transmission to the claimant, the object evidently being to facilitate the levying of a bigger "squeeze." Upon this request being indignantly refused, the wily native said he could obtain such concessions elsewhere; and a few days later appeared in our informant's office flourishing a check for a large sum signed by a firm of insurance agents who, as he said, had entrusted it to him for the purpose of settling a loss. How much of the money eventually reached the unfortunate claimant it is of course difficult to prognosticate, but that the broker had his "squeeze" goes without saying. We now come to the outrage to which reference was made at the commencement of this article.

In a recent fire a European lady, whose husband was absent, suffered a total loss of her furniture and household effects, and put forward a claim upon the insurance company in consequence. In due course a check for the amount was handed to her in settlement and she returned to her abode. To this she was shortly followed by a well-dressed Chinaman who proved to be the native broker employed by the agents of the company concerned. This individual, it appears, had acquired a knowledge of the circumstances at the agent's office and thought it a good opportunity to follow the tactics to which he was accustomed with his fellow countrymen. He consequently proceeded, as we are told by our informant who had the story from the lady's own lips, to apply for a "squeeze" upon the amount of her claim, and upon meeting with no encouragement, actually forced his way into the lady's bedroom. Having ascertained that the check had not been cashed, he threatened that unless his demands were complied with to induce his firm to stop payment of it upon the ground that the claim was fraudulent. The lady, in alarm, went to the gentleman from whom we have these facts for advice; and was by him reassured, subsequently cashing her check without difficulty.

We are informed that the matter has been reported to the firm employing the said broker, but have not heard what (if any) action they have taken. The moral of all this is, of course, that both foreigners and Chinese will do well to avoid both the native fire insurance broker and those who encourage and employ him. It cannot, in particular, be too strongly impressed upon the Chinese desiring insurance that there is not only no advantage accruing to them from employing the intermediary of a broker, but an actual certainty of loss in case of a claim arising.

The leading silk, tea and piece goods, merchants as well as most property owners have long recognized this fact, and have acquired the habit of placing their insurances direct with the foreign agent in person without the entirely superfluous intervention of a third party; and the sooner this custom becomes universal, the better will it be for all concerned, except, of course, the brokers, with whom, however, we are unable to express the slightest sympathy. If the conductors of the native press will bring the above facts to the notice of their readers, they will be conferring a benefit upon their countrymen resident in these settlements.

Industrial Agency Staffs.

(*Rough Notes.*)

One of the most striking features of the industrial life assurance system in Great Britain, as viewed by an American life underwriter, visiting on the islands, is the permanency of the agency force. A district superintendent of the Prudential in a large American city recently returned from a short sojourn in England, and this great contrast betwen the English and American staffs he considered one that struck him as marvelous. There he found agency staffs that had remained practically unchanged for years. Men were working on debits that had been supervised by their fathers before them, and by their grandfathers, having been handed down from generation to generation. He returns to a staff of about fifty agents. Only three now on the roll were members a year ago, while there has been an entire change in the past two years. He asks despairingly if the conditions which prevail in British offices will ever gladden the hearts of American superintendents. The reasons for the marked contrast are not hard to find. England is the birthplace of industrial insurance, and it is over fifty years since the old Prudential began collecting the farthings and ha'pennies, while the American industrial institutions are of much more recent origin. This of itself would tend to establish the permanency of the staffs of the older company.

Again, and a stronger reason, is found in the marked contrast between the English and American temperament. The Englishman is not given so much to traveling and is inclined naturally to fit contentedly into the environments of his birthplace. The son is trained to take the place of the father and inherits his position, as he would an estate, if he shows the requisite ability. He usually accepts the conditions without a murmur. The American, before he has reached his majority, has generally lived in a dozen different places widely separated. The restless spirit of the people of the land becomes a part of his nature. He seldom engages in the same line of business as that of his father. He is inclined to be changeable, and moves on, following a beckoning finger of promise which is always in the distance.

The physical differences of the two countries are responsible for these contrasts in their inhabitants. The narrow confines of the islands tend to prevent any extensive changes by the Englishman. From any point a short trip brings him to the water's edge, beyond which is "a foreign land"—a region from which any home loving soul shrinks, of whatever nationality. Under such conditions a change of locality will not alter circumstances materially, and he learns to feel that it is best "to leave well enough alone."

In America there is the breadth of a continent. Thousands of miles separate its boundaries. Within its borders are all the possible varieties of climate and topography—from the frozen North to the tropical South, from the snow capped mountain to the peaceful valley. It is spread before its people in wonderful bounty and magnificence, its remotest corners are within easy reach, and, however far one travels, the Stars and Stripes assure him that it is "home." It is not strange that Americans feel that they must be moving about in order to enjoy the full benefit of their heritage. As long as the distant oceans wash

the long coast lines of an undivided nation, and while its breadth remains sufficient to accommodate summer and winter at the same time, there is not much prospect that its people will become a settled race. The changes in industrial offices will continue, but industrial underwriters will be not the less prosperous if they adhere to a fixed purpose to succeed in whatever part of the land their business may call them. The changes so noticeable in these offices are not always a change of business, but often, very often, are due to promotions which come to those whose good work has attracted the attention of the guiding hands at the home office, and new fields, with possibilities for greater successes, are offered.

The American industrial agent will never be satisfied with the prospect of remaining always an agent and that his children and children's children shall continue his debit after him. He always aspires to an assistant's desk. The assistant works to win a superintendency, and the ambitious superintendent has ever greater aspirations for the future. An agent contented to remain always an agent is an unknown quantity in an American industrial life office. That is the secret of the marvelous growth of the American companies, which, in time, are certain to surpass the greatest of the English pioneers.

Longevity of Impaired Lives.

(*The New York Times.*)

Experts in life insurance are gradually reaching the conclusion that medical examination in connection with the writing of policies has a very different and much narrower value than the medical examiners, with a disposition to magnify their functions, are as yet willing to admit. A few years ago medical examinations were hypercritical, and applicants were rejected for reasons so far from convincing to laymen that agents were discouraged, or if more eager for commissions than for the protection of the companies they represented against possible loss, became remarkably clever in "assisting" their applicants through the ordeal of the medical examination by means not wholly dissimilar to those by which horse dealers are supposed to sometimes prepare horses to pass the scrutiny of the veterinary. As the rule, the causes of arbitrary rejection are less numerous than formerly, and the judgment of the chief examiner more liberally exercised. Meanwhile the level headed and astute laymen at the head of the insurance business have been studying the subject for themselves, and are reaching conclusions which are somewhat at variance with those insisted upon by the physicians.

Not long since, the president of one of the most successful of the conservative life insurance companies of this country said, in effect, that the study of the vital statistics of his business, and of many years of records of acceptances and rejections, had convinced him that medical examination was very much less useful than its considerable cost to the companies would warrant them in expecting. To illustrate his meaning, he said that if it were possible to throw a wing dam across the sidewalk of Broadway and catch those who first came along to the number of a thousand, he would as willingly take them as risks and write policies on their lives as he would a thousand applicants passed by the medical examiners of his company. In both classes he would expect to find good and bad risks, but would also expect them to average so that one class could not be distinguished from the other at the end of five, ten or twenty years. This is not so surprising a statement as it might seem at first glance. The thousand men caught in the hypothetical wing dam, under any but exceptional and quite improbable conditions, would be as near an average as could anywhere be secured. Their annual mortality would be the average for the community in which they lived, less the added percentage due to infant mortality. They would average the length of life due to the local death rate per thousand, plus the gradual increment of mortality due to the steadily increasing average age, which must be allowed for in a class of a thousand, whether recruited haphazard or carefully selected.

Asked why his company still maintained its system of medical examination, he said that it was probably the only way in which it was possible to approximate the average which would be reached without selection if men could be insured as they are enumerated for census purposes. A company which should "let down its bars" and take everyone who came would not get a normal average. Sound men would postpone insurance until it could not be had on medical examination, and the company would quickly become the refuge of the sick and the impaired, to the exclusion of the desirable risks, and would go elsewhere, because unwilling to help carry the burdens of a business handicapped by the results of lax rules of admission. This would seem to be sound reasoning, both as to the fallibility of medical judgment and the value of medical examination.

From the statistics which every well managed life insurance company has in its office, but does not show the public, great comfort may be derived by those classed as "impaired lives" and rejected on examination. Not only do they show that such people are likely to live as long and, generally speaking, as comfortably as those who would be gladly accepted, but when the records are kept up they point to the conclusion that the impaired life, if not too seriously impaired, is likely to be prolonged far beyond the medical prognosis by reason of the care exercised by the man thus classed, who realizes as the sound man rarely does or can, that he must take care of himself and avoid the excesses or exposures which others think they may brave with impunity. From this point of view, a rejection for insurance on medical examination may be a very useful *memento mori* to a man capable of profiting by the knowledge that he will find prudence and discretion conducive to longevity.

History Will Repeat Itself.

(*The Insurance Herald.*)

It may, we think, be predicted with safety that history will repeat itself and that the fire insurance companies which have retired and which may retire in the near future will be replaced by a crop of new companies. The unprofitable condition of the fire insurance business during the two and more years past, and which has forced companies which ventured too much on limited resources out of the business, is not in the least likely to deter optimistic people, who have or can control capital, from going into the insurance business. The promoters and the stockholders of new companies have the average supply of human nature of that especial brand which leads a man to have confidence in his own ability to avoid the mistakes of his fellows and to achieve success where they suffered failure. Already we hear of a half score of projected companies, East and West, Chicago and New York naturally representing the greater number. Some of these, or others later on, will doubtless be equipped with ample capital and surplus, and, managed by competent underwriters, will be a welcome and permanent addition to the ranks of existing reliable companies. Another class there will be which, with small capital and large ambitions, will attempt to spread out over a wide field, write freely if not recklessly, and after a year or two of venturesome endeavor will end their tribulations by reposing in the receiver's bosom. Still another class, already in a state of "pernicious activity," consists of the wildcat contingent, which we always have with us. These fake concerns will take advantage of the present indisposition of the reliable companies to take big lines, however good, and their refusal to cover some risks at any price. These fellows, with elegantly engraved policy and letter heads and ingeniously devised false statements of resources, may be expected to do an unusually good stroke of business with credulous property owners who are looking for a chance to supply the shortage to their partially protected lines. There will no doubt be interesting developments and some surprises in the insurance field during the next few months, but in the end there will be plenty of good companies to do the business if adequately paid for it.

English and American Life Insurance.

(*The Insurance Post.*)

John Bull, growing apoplectic in his rage as he sees the United States winning away the world's trade from him, is losing in other lines as well. Insurance is not commerce, according to the courts of this country, and in life insurance, too, England is falling behind while this country is forging ahead with rapid strides. For several years the rate of increase in premium income in Great Britain has been falling off, until the last report, for 1899-1900, shows a gain over the year before of but $2,150,000. Any one of several single companies in this country could do better than that, while the aggregate gain in premium income in 1900 over 1899 for all the United States companies was over $30,000,000.

The English life offices have been fertile in expedients intended to stimulate this waning interest in life insurance. New forms of policies have been introduced and various attractive schemes tried, but without securing any notable results or any improvement in the aggregate business, with the exception of

endowment insurance. This evidently appeals to the thrifty Briton, for the number of endowment policies has increased nearly 400 per cent. within the decade, while the whole life policies have increased but 10 per cent.

The English companies are forced to confront the assurance of a reduced income from investments. For 1899-1900 they earned on the average 3.71 per cent., while the United States companies in 1900 earned 4.30 per cent. This disparity is likely to be increased, for the war in South Africa has reduced the price of consols and the earning power of most of the securities in which the British companies are interested. Much of their money is in the shares of the English railways, whose dividends are showing so marked a decrease as to cause almost a panic among their holders, while the outlook for improvement is far from encouraging. In this country, on the other hand, the bonds and stocks of the railroads, in which so many hundred millions of life insurance capital are invested, are on the upgrade, with every assurance of continued prosperity. The same may be said of the other properties in which life insurance funds of this country are invested.

The one point in which the English companies have the advantage is in the rate of working expenditure. Their average management and commission expenditure is 13.82 per cent. of the premium income, which shows a reduction from the average for the five years preceding. This is a far better showing than the United States companies can make, with their 30 per cent. expense ratio to premiums, but it may be that if they were to cut their expenditures down to the British ratio they would not be able to show any increase in premium income, instead of the ten-to-one gain that now exists. Expenses in this country are undoubtedly too high, but it may be that England goes to the other exteme. Her companies have imitated the up to date policy contracts of this side, so that it is not so much the goods as the salesmanship that is lacking.

Opposes Change of Beneficiary.

(*From a Circular of the Union Mutual Life Insurance Company.*)

Even though at first thought the privilege of changing the beneficiary may seem desirable and not harmful, from the foregoing opinions it will be observed that serious objections are likely to arise in actual practice.

The expectation of ever becoming bankrupt is remote from the average individual's thoughts; statistics, however, show that an astonishing percentage of business men do encounter financial troubles during their career. The chance that a transferable beneficiary clause would be legally interpreted as really giving the trustee in bankruptcy the power to change the beneficiary, thus placing the policy within the reach of creditors, adds an unwelcome hazard to the possibility of bankruptcy. It would be instrumental in accumulating trouble for a time when misfortune would be amply abundant. It annexes an element of chance to life insurance that ought to be void of all uncertainty, especially when we consider that the law allows men to create a fund that their creditors cannot reach, solely because it is a provision for their family in event of their premature death.

In another way such a clause has its dangers. A man in straitened circumstances might be compelled, contrary to desire and judgment, by someone to whom he was owing money, to make a change in the policy so that it would stand for the benefit of that party, on threat of bankruptcy proceedings or some other calamity, if it were not done. These are not imaginary conditions. Creditors are seldom willing to permit discrimination in favor of the family or any interest outside of their own. A policy with such a clause might, at the least, have to be included in any settlement, or perhaps surrendered altogether—another chance that ought to be and can be avoided.

The fact that life insurance is usually written as definite protection for somebody, and that it is recognized as constituting trust funds for the benefit of prospective widows and orphans, has been the principle which has defended it from taxation by legislatures. If this changeable beneficiary clause should become general, and it should come to be understood that a policy containing that privilege represents virtually accumulations for one's estate, a means of individual investment and betterment, readily transferable as security for debts, it is not improbable that taxation would follow at no distant time. Indeed, in some States, legislation has been suggested looking toward the taxation of policies possessed chiefly for investment purposes, and it seems clear that policies with a transferable beneficiary clause might properly and probably would be so classified. Taxation of this nature would be most detrimental to policy-holders, resulting, necessarily, either in decreased dividends or increased cost.

Another point of view: Often it is necessary for a man's wife to economize in every possible manner, and deny herself and the members of the family many little things that would contribute to their happiness, in order that the life insurance premiums may be promptly met. It would be manifestly unfair and unjust for the man to have, under such circumstances, undivided control of the policy, with the sole power of transferring the wife's interest to some other person, since the practice of deception would be too easily possible and she might be kept in ignorance of any alteration that had been named in the beneficiary, the change not being revealed until the policy became payable as a claim. A woman would hardly be thought unreasonable if she failed to manifest any particular desire to help toward saving to pay the premiums under such conditions. Even though a policy be originally issued in her favor, there would be the continual uncertainty that it might be secretly changed.

Suppose the title to the family home stands in the name of the wife, how insecure would be the position if it were possible for the property to be sold or transferred without her knowledge, or appropriated by creditors of the husband either before or after his death! Why should it be different in life insurance? Why ought not the title to a policy to be equally as inflexible? It is property just as much as other possessions and often of greater value. Individual freedom to change the beneficiary carries with it for the wife an overhanging element of uncertainty that cannot be dismissed as long as that privilege remains in the hands of the husband alone. While she may trust him fully, nevertheless, unlimited power in this particular is unfair to the other partner in the contract—the wife.

The wife who is aware that the husband's life is insured for her benefit, and that her interest is irrevocable without her consent in writing, has a perfect sense of security. Such a feeling of safety cannot exist where it is possible for frequent changes to be made in the beneficiary, either with or without her knowledge.

Official Reports.

Fire Insurance in Canada.

(*From the Recently Published Report of the Superintendent of Insurance of the Dominion.*)

During the year 1900 the business of fire insurance in Canada was carried on by thirty-eight companies; of these nine were Canadian, twenty-one British and eight American. Inland marine insurance was also transacted by four of them (two Canadian and two American), and ocean marine by two of them (both Canadian). This list of companies differs from that of the previous year by the addition of two Canadian companies. One British company (the British and Foreign Marine) is licensed to carry on the business of inland marine insurance and the business of insuring registered mail matter in transit from place to place in Canada, but did no inland marine business during 1900.

The cash received for premiums during the year in Canada has amounted to $8,331,948, being greater than that received in 1899 by $421,456; and the amount paid for losses has been $7,774,293, which is greater than that paid in 1899 by $2,592,255. The ratio of losses paid to premiums received is shown in the following table:

	Paid for Losses.	Received for Premiums.	Rate of Losses Paid Per Cent. of Premiums Received.	The Same for 1899.
Canadian companies.....	$1,013,087	$1,298,751	78.00	53.82
British companies.....	5,515,231	5,846,020	94.34	68.42
American companies.....	1,245,975	1,187,177	104.95	63.07
Totals.....	$7,774,293	$8,331,948	93.31	65.51

Obtaining an approximation to the losses incurred during the year, by excluding the payments for losses outstanding at the beginning of the year, and including the amounts estimated for those of the year still unsettled, the ratio of the losses incurred to premiums received comes out 97 per cent., which is 39.25 per cent. greater than the 57.75 of the previous year and is 29.62

per cent. greater than the average for the last fifteen yars (67.38). The following are the rates of incurred losses from 1886:

	1900	1899	1898	1897	1896	1895	1894	1893	1892	1891	1890	1889	1888	1887	1886
Canadian	83.25	53.20	55.22	69.06	69.50	65.87	72.47	72.45	73.33	71.79	63.07	56.64	65.14	69.97	65.24
British	97.99	58.80	79.12	63.50	59.50	69.32	67.76	76.57	66.36	62.00	56.29	48.35	53.08	64.62	68.01
American	107.17	57.25	71.05	64.32	61.72	73.11	68.84	74.40	73.86	61.26	62.08	48.39	52.84	72 41	58.44
Totals	97.00	57.75	74.37	64.41	61.31	69.31	68.69	75.55	68.64	63.95	58.25	50.09	55.57	66.40	66.62

The gross amount of policies, new and renewed, taken during the year by fire companies was $803,428,654, which is greater by $47,171,556 than the amount taken in 1899. The premiums charged thereon amounted in 1900 to $10,031,735.34, being $715,049.98 greater than the amount charged the previous year. The rate of premiums (1.249) does not differ to any material extent from that of 1899 (1.232). The loss rate (93.31) is 27.80 per cent. greater than the loss rate of the previous year (65.51) and 27.36 per cent. greater than the average loss rate (65.95) for the past thirty-two years, the year 1877 being excluded.

* * * * * * * *

The increase in the amounts taken in 1900 as compared with 1899 among Canadian companies is $24,342,702. Among British companies there is an increase of $15,468,638, and among American companies there is an increase of $7,360,216.

ÆTNA

LIFE INSURANCE CO.

MORGAN G. BULKELEY, PRESIDENT

Largest Company in the World doing Life, Accident and Health business

ASSETS, OVER . . . $56,000,000.

MOWRY and PATTERSON, Managers Life Department.
GEORGE C. STERLING, Manager Accident Department.

Continental Building, 46 Cedar Street, NEW YORK CITY.

National Life Insurance Company of Vermont.

J. C. HOUGHTON, President.
JOS. A. DE BOER, Vice-President.
O. D. CLARK, Secretary.

THIS COMPANY HAS GAINED IN THE LAST DECADE,

In Assets, . . . $12,275,109.34, or 160.96 per cent.
In surplus, . . . 1,089,332 69, or 119.47 per cent.
In insurance, . . 48,102,491.00, or 93.64 per cent.

Sells the Most Modern, Profit-Sharing, Non-Forfeitable Contracts of Life, Term, Endowment and Annuity Insurance. Correspondence from interested parties promptly recognized. Good agency contracts for reliable men.

J. F. MAKLEY, General Manager,
149 Broadway, New York.

Phœnix Mutual Life Insurance Co.

OF HARTFORD, CONN.

ORGANIZED IN 1851.

Assets, January 1, 1901 ..... $13,278,711.73
Surplus at Four per cent 564,656.73

Total Paid Policy-holders over
—$42,500,000—

ACTIVE AND INTELLIGENT MEN WANTED AS AGENTS, with whom liberal contracts will be made. Desirable territory now open.
The new plans of the Company are brief, clear and liberal. Life and Endowment Policies have endorsed upon them definite cash, loan, and paid-up values, and in case of lapse, insurance is extended without action on the part of the insured.

J. B. BUNCE, President. J. M. HOLCOMBE, Vice-President.
C. H. LAWRENCE, Secretary.
NEW YORK OFFICE: WEED & KENNEDY, Managers, 149 Broadway.

The Preferred Accident Insurance Co.
OF NEW YORK.

Accident Policies. Health Policies.

Large Benefits, Low Rates, Best Commissions.

December 31, 1899:

Assets, - - - - - $779,385.45
Surplus, - - - - - 365,124.30

KIMBALL C. ATWOOD, Sec'y, 290 Broadway, NEW YORK.

HANOVER

Agencies in all the Principal Places in the United States.

Fire Insurance Company OF NEW YORK.

INCORPORATED 1865

GERMAN INSURANCE CO.

OF FREEPORT, ILL.

The Largest and Most Successful Fire Insurance Company in the West.

Assets, January 1, 1901, ... $3,656,401.59
Cash Capital, ... 200,000.00
Liabilities, including reinsurance, ... 2,181,179.89
NET SURPLUS, ... 1,275,221.70

C. O. COLLMAN, Pres. HENRY BAIER, Vice-Pres. D. B. SCHULTE, Treas.
WM. TREMBOR, Sec. F. M. GUND, Ass't Sec.

PHENIX INSURANCE COMPANY,

OF BROOKLYN, N. Y.

NEW YORK OFFICE:
47 CEDAR ST.

Provident Savings Life Assurance Society

OF NEW YORK.

EDWARD W. SCOTT, PRESIDENT.

THE BEST COMPANY FOR POLICY HOLDERS AND AGENTS.

SUCCESSFUL AGENTS, AND GENTLEMEN SEEKING REMUNERATIVE BUSINESS CONNECTIONS, MAY APPLY TO THE HEAD OFFICE, OR ANY OF THE SOCIETY'S GENERAL AGENTS.

The Agricultural Insurance Company of Watertown, N. Y.

ESTABLISHED 1853.

Assets, January 1, 1901 ..... $2,283,558.42
Total Liabilities, except Capital $1,240,017.87
Joint Stock Capital 500,000.00

London Assurance Corporation,

CHARTERED A. D. 1720.

SURPLUS IN U. S. JAN. 1, 1901, $838,698.68

CHAS. LYMAN CASE, Manager.

4 PINE STREET, - - - - - - NEW YORK.

Northern Assurance Company,

OF LONDON, ENGLAND.

EASTERN AND SOUTHERN DEPARTMENTS,

38 PINE STREET, NEW YORK.

GEORGE W. BABB, JR., Manager. T. A. RALSTON, Sub-Manager.

Western Assurance Company.

HEAD OFFICE: TORONTO, CANADA.

INCORPORATED 1851.

Hon. GEO. A. COX, President.
J. J. KENNY, V. P., and Managing Director.

UNITED STATES STATEMENT, JANUARY, 1901.

Assets $2,016,370.78
Surplus in United States 638,430.59

TO BE FAITHFUL

...To Policy-holders and Agents

is the motto of the management of the Union Mutual. To serve all interests impartially. To treat all parties with consistent candor. To issue policies of pronounced liberality To make all death payments with the utmost promptness. To be fair in all dealings.

Honest, capable Agents can always have employment with us.

Union Mutual Life Insurance Co.

Portland, Maine.

INCORPORATED 1848.

FRED E. RICHARDS, President. **ARTHUR L. BATES, Vice-President.**

Address either { EDSON D. SCOFIELD, *Supt.*, 1110 Am. Tract Society Bldg. 150 Nassau St., New York City. THORNTON CHASE, *Supt.*, 84 Adams Street, Chicago, Ill.

Personal Accident. **Plate Glass Insurance.**

ATTENTION, AGENTS and BROKERS!

The Central of Pittsburg, Pa.,

is the best company for the **Customer**, the **Broker** or the **Agent.** In the above lines of insurance it sells the **Best Policies.** Call on or address

Central Accident Insurance Company, Pittsburg, Pa.

The Union Central Life Ins. Co.,

CINCINNATI, OHIO.

Assets, January 1, 1901, ... $26,440,297.28
Surplus, ... 3,693,343 46

No Fluctuating Securities. Largest Rate of Interest. Lowest Death Rate

Endowments at Life Rates and Twenty Payment Guaranty Policies Specialties.

Large an increasing Dividends to Policy-holders. DESIRABLE CONTRACTS and GOOD TERRITORY open for LIVE Agents.

Address JOHN M. PATTISON, President.

The Massachusetts Mutual Life Insurance Company,

INCORPORATED 1851.

SPRINGFIELD, MASS.

ASSETS - January 1, 1901 ..... $26,245,622.04
LIABILITIES 23,920,986 53
SURPLUS 2,324,635.51

Definite Paid-up and Cash Surrender Values written in every Policy.

JOHN A. HALL, President. HENRY M. PHILLIPS, Secretary.

New York Office: Empire Building, 71 Broadway.

GEORGE J. WIGHT, Manager.

North British & Mercantile

INSURANCE COMPANY,

OF LONDON AND EDINBURGH.

Established 1809.

OFFICE:

76 WILLIAM STREET,

NEW YORK CITY.

1846—1901.

THE CONNECTICUT MUTUAL LIFE

Insurance Company.

WHERE THE CONNECTICUT MUTUAL STANDS.

During all the long struggle out of which this situation has developed, and amid the many schemes devised to attract public attention and favor to something else than life insurance, the attitude and position of the Connecticut Mutual have never been doubtful.

It has held to the cardinal facts: Life insurance is for the protection of those dependent on a man's life; their dependence makes it his unavoidable duty. Those dependents we assume to protect by our contract, at his personal cost; our duty to them is to make that protection as large, as secure, and as certainly available to them as possible; our duty to him is to make its cost to him as small as possible.

JACOB L. GREENE, President. **HERBERT H. WHITE, Secretary.**
JOHN M. TAYLOR, Vice-President. **DANIEL H. WELLS, Actuary.**

The Metropolitan Life Insurance Co.

(INCORPORATED BY THE STATE OF NEW YORK.)

"The Leading Industrial Insurance Company of America,"

IS REPRESENTED IN ALL THE PRINCIPAL CITIES OF THE UNITED STATES AND IN CANADA. THE PAYMENT OF OVER 250 DEATH CLAIMS DAILY TELLS OF THE GOOD IT DOES. INSURANCE IN FORCE OF OVER $900,000,000 ATTESTS ITS GREATNESS AND FAVOR WITH THE PUBLIC.

Permanent, Profitable and Progressive Employment.

AGENTS WANTED—Any honest, capable, industrious man, who is willing to begin at the bottom and acquire a complete knowledge of the details of the business by diligent study and practical experience can, by demonstrating his capacity, establish his claim to the highest position in the field. It is within his certain reach. The opportunities for merited advancement are unlimited. All needed explanations will be furnished upon application to the company's superintendents in any of the principal cities, or to the Home Office, No. 1 Madison Avenue, New York City.

JOHN R. HEGEMAN, President.

HALEY FISKE, Vice-President. GEORGE H. GASTON, Second Vice-President. GEORGE B. WOODWARD, Secretary. J. J. THOMPSON, Cashier and Assistant Secretary. JAMES M. CRAIG, Actuary. JAMES S. ROBERTS, Assistant Secretary. STEWART L. WOODFORD, Counsel. THOS. H. WILLARD, Medical Director. A. S. KNIGHT, Assistant Medical Director.

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.

FOUNDED 1792.

Assets, January 1, 1901		$9,583,791
LIABILITIES—Reserved for Reinsurance and all other claims	$4,805,254	
Capital Stock	3,000,000	
Surplus over all Liabilities	1,778,537	$9,583,791

Agents in all the principal towns and cities.

CHARLES PLATT, President. EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. BENJAMIN RUSH, Second Vice-President.
T. HOUARD WRIGHT, Marine Secretary. JOHN B. ATWOOD, Assistant Secretary.

Offices in New York: Fire, William and Pine Sts.; Marine, 63 Wall St.

1825. THE 1901.

Pennsylvania Fire Insurance Co.

OF PHILADELPHIA.

Cash Capital,	$400,000.00
Re-insurance and all Liabilities,	2,771,038.56
Surplus,	2,163,883.97
Total January 1, 1901,	$5,334,922.53

R. DALE BENSON, Prest. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice Prest. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

THERE ARE FEATURES IN THE FIFTY-THIRD ANNUAL REPORT OF

The Penn Mutual Life Insurance Company

Of interest to all engaged in life insurance work.

A copy on request.

THE PENN MUTUAL LIFE INSURANCE COMPANY,

921-925 CHESTNUT STREET, - PHILADELPHIA.

Head Office for the United States:

57 and 59

William Street,

NEW YORK.

A. G. McIlwaine, Jr., Manager.

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

VOL. LXV. SATURDAY, SEPTEMBER 14, 1901. No. 11.

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Checks and money orders should be made payable to the order of THE WEEKLY UNDERWRITER.

THERE was an excellent attendance at the twelfth annual meeting of the National Association of Life Underwriters, held at Portland, Me., this year and a healthy interest manifested in the proceedings. The address of the president and the report of the executive committee contained the pith of the transactions of the association since the last meeting, and both will be read with profit by the host of men and women engaged in the life insurance business. The vitality of the organization is assured with such earnest workers for its welfare. The entertaining of the visiting underwriters by the hospitable people of Portland was gracefully done and gratefully appreciated by the recipients, and it is to be regretted that the crowning function of the occasion had to be omitted, as was proper, on the receipt of the disquieting advices of the condition of the President of the United States.

THE man Klayer, who recently enlarged the range of his operations in Illinois by bringing suits against other companies than the Ætna, has met with a setback which may prove disastrous to those fond expectations of getting rich quick in the informer business. The Circuit Court, in which he began nineteen actions against four fire insurance companies and their agents for alleged nonpayment of back taxes—half of the penalty to go to the informer—required him to give bonds in each suit. Being unable to put up, the suits have been dismissed, and he has been thrown out of court. The multiplicity of Klayer's operations, involving as they must some expenditure of money for court and other legal services, has induced the belief that he has backers who are interested in the proceedings as a speculation. If so, their faith in its ultimate success must have weakened or they would have furnished the bonds in the nineteen cases which have now broken down. Other indications that the speculation is in desperate straits are the explosion of the Klayer man's wild rage against the Illinois Insurance Department because it does not aid him in his attacks upon the Ætna and his crazy charge against Superintendent Yates of corrupt collusion with the company to evade the enforcement of the tax law. With the department and the courts arrayed against him it is difficult to discern any prospect of success in the informer's further proceedings. And this, apparently, is the end of the many months of indefatigable and industrious plotting in Illinois in which he has been the visible, if not the principal, performer. By the way, there is a criminal offense known in the common law as barratry. A barrator is a person who devotes his time to the bringing of vexatious suits on trumpery pretenses for the purpose of annoying others or forcing them to do something for the benefit of the barrator. In the contemplation of the law individuals thus described are common nuisances. It is worth considering both by the Ætna insurance company and Superintendent Yates whether they have not a public duty to perform.

IN October, 1900, Max Beehler, a representative of the Iowa Insurance Department, began an examination of the Mutual Reserve Fund Life Association by direction of State Auditor Merriam, but before he had succeeded in getting into the inside accounts of the association he was shut off peremptorily and the State Auditor was notified of its withdrawal from the State. The official excuse made on behalf of the association was that the amount of its business in Iowa was so small that the expense of its examination by the Iowa Department was not justified. Mr. Beehler wrote a caustic report to his chief, giving in detail his troublesome experience with the officers of the association and his inability to solve certain strange enigmas which he discovered in the course of his investigation, and intimated that the reason of his sudden exclusion was his too pronounced inquisitiveness. In June, 1901, the insurance departments of Minnesota and Wisconsin sought to make a joint examination of the association, and their entrance was barred, a variety of reasons for it being given, the principal being that the association could not stand the expense. This week Max Beehler has been busy in the office of the association doing just what it was unwilling he should do last year, and what it was unwilling Mr. Wolfe should do for Minnesota and Wisconsin this year. This sudden readiness to stand the expense of an examination and even to resume a small and undesirable business in Iowa, although seemingly inconsistent, may really mean that things are in such good shape that any department investigation will now be welcome. In that case we may expect to see a cordial invitation extended to Minnesota and Wisconsin to call again. When Max Beehler makes his report no doubt the reason for this conversion will appear.

THE Local Fire Insurance Agents held the annual meeting of their national association on the first three days of this week, with a goodly attendance, which would have been larger had the gathering place been more accessible. But the representative men of the local agency business were there and the results of the meeting were reflective of the thoughts, beliefs and aspirations of the local agents of the whole country. As was for some time foreshadowed the administration of President Markham was indorsed and he was re-elected without dissent. The action of the convention was embodied substantially in the recommendations of the committee on resolutions, which were accepted as the sentiments of the association. These were, briefly: The cessation of overhead writing

by companies was commended, while that of agents in the territory of other agents, which is still active, was strenuously denounced; the cutting of rates at some points by companies accepting the help of rate compacts in other sections was condemned; the co-operation of local agents with companies in the making of rates was urged upon the latter; the continuance of multiple agencies was deprecated, and the companies were invited to a conference with representatives of this organization to discuss means to reduce the number of agents of each company to one in each locality; the publication of schedule rates based on experience was favored, and permission was given to the president, secretary and chairman of the executive committee to issue a bulletin or periodical at times within their discretion. The new constitution was also approved, and Louisville was selected as the next annual meeting place.

With a single exceptional episode, the proceedings at the Local Agents' convention went like clockwork. The president's address was dignified, exhaustive and convincing, the other papers and addresses well considered and interesting, the reports on local conditions in response to the call of States cheering or saddening, humorous or serious, as the case might be. Harmony and confidence in the potency of the association were the keynotes of the convention. The sensation which constituted the exception alluded to was the address of President Washburn, of the Home. That the company which this eminent underwriter represents was not favorably impressed with the local agents' national association movement at its inception is well known. It was therefore evidence of their belief in the strength of their organization, strength to listen to unpalatable, if honest, criticism, that the officers invited Mr. Washburn to speak to the association. For notoriously he has the courage of his convictions and the willingness to express them in unmistakable English. And so it came to pass that the president told the agents what, in his opinion, were their faults as local agents. They were too often mere premium seekers; many of them sought to obtain unfair advantages over their competitors; it was too frequently forgotten that principals, who furnish the capital and are responsible to the public as well as their stockholders, have the right to give instructions which should be implicitly obeyed; it was not wise or becoming for a body of agents to resolve that they would not represent a company which writes directly a risk in an agent's field under circumstances which, if fully known, would be admitted as a full justification; it was impertinent and ill advised in a local board to resolve that a company appointing a dual agent in its field should not be represented in the board; it was reprehensible and without excuse to attempt by State legislation to force the companies to reduce the number of agents in a given State by the imposition of a license tax; it was playing the "dog in the manger" for an agent or a body of agents to declare that under no circumstances would they pay a brokerage, no matter how much the company might desire to write the risk; it was futile for a body of agents to try to make companies observe tariff rates everywhere as a condition of doing business anywhere; it was a proposition that no company could accede to, that the business belongs to the agent and in case of change of agency his successor shall not in any case interfere with it. These bold statements in the faces of two or three hundred earnest men, who felt in many cases strongly the other way, would most naturally find protestants among the more excitable. And so they did. The attempt of a delegate to pass a resolution denouncing the claim that an agent does not own the business he puts on his books undoubtedly had the sympathy of a large proportion of the delegates. The resolution would have swept the convention perhaps, but for the ready tact and fine nerve of Mr. Woodworth, who brought the members to their senses by reminding them that it would be faint courtesy to condemn the guest whom they had asked to talk his mind to them. On a second thought it must have been apparent that no one was obliged to change his views because the president of the Home disagreed with them. And so the hard words broke no bones, and Mr. Washburn was a great success, the meeting was a great success, and the association adjourned stronger than ever and more confident than ever of its power in the business.

Facts and Opinions.

The Buffalo agents having determined to entertain the insurance commissioners during their sojourn in that city at the annual meeting of their association, and the insurance companies having been requested by the secretary of the finance committee of the entertainment organization to contribute toward the expense, the following peremptory letter was sent under date of August 31 to the chairman of the executive committee by the executive committee of the insurance commissioners' convention:

Dear Sir—Our attention has been called to a movement started to extend some courtesies and hospitalities to the members of the National Convention of Insurance Commissioners, about to meet in your city.

As members of the executive committee, and speaking for it, we would suggest that such project would not be in accordance with the wishes of the convention. While we are satisfied that all the members of our association would highly appreciate the feeling prompting this suggestion to extend proper courtesies at the time of their visit to Buffalo, still it might be deemed unwise to place the companies' representatives in the light of offering any entertainment which might be construed in a manner entirely different from the spirit in which it is proposed to be tendered. Thanking you in advance for the contemplated courtesies, and requesting that this communication will be accepted as the final decision of the commissioners of their desire that you will not proceed further in the matter, and trusting that this letter will be received in the spirit in which it is intended, we remain. Yours very truly,

Henry D. Appleton,
Frederick L. Cutting,
For the Executive Committee.

Under the title of "A Great Scheme," the Richmond, Va., *News* prints the following:

Delegate Edmund W. Hubard, of Buckingham County, has a great scheme which he says is much complimented by the members to whom he has disclosed it. He will offer a resolution in the Constitutional Convention for the organization of a State insurance company, having especially fire insurance as a basis, but covering also other features of insurance, except the life insurance. His scheme anticipates the organization of this company under control of the State, and have State bonds deposited to cover all its obligations. The rates to be charged would be the same as obtain with other companies, and its method of business similar to other like institutions. The State of Virginia would waive sovereignty as to being sued in cases arising out of the insurance business, and an appeal would be made for the business of all the citizens. This appeal would carry with it the strong argument that all the profits of the business would be used for the expenses of government and thus reduce the taxes of the people. "In time," said Mr. Hubard, "the profits of the business would pay all the taxes of the State, and we would relieve the people of the entire burden. The premiums paid to the State company would all find its way back to those who paid it, and we would have the patronage of every insurer in the Commonwealth.

Much interest is being taken in Chicago in the annual meeting of the Western Union next week. The governing commit-

tee has been holding frequent meetings to clear up its docket and discuss its report. Most of its members will leave for Round Island Saturday and Sunday, in time for their final meeting there Tuesday. It is safe to say that this time no new propositions will be sprung upon members of the committee as at the last session, the forcible protest against such a policy at the special meeting having had its effect. The customary line of pending questions will be discussed, special interest being taken in the excepted cities, the anti-compact States, the schedules, the proposition to reduce rates in Iowa and the revision of the rules. Some members propose to have an understanding on co-operation in the anti-compact States, and will raise the question and try to put some of the members on record. They say that even though there is no obligation in those States, the members ought to abide by rates and practices in them without policemen to watch them.

A CONTROLLING interest in the North German Fire insurance company of New York has been bought by Adolph and Leo A. Loeb, of Chicago. The *Journal of Commerce* says:

The North German of New York will be reorganized on January 1, under the new management, when the capital and surplus of the company will probably be increased. Although the general management will be in Chicago, under the New York statutes several of the directors must be residents of this State, and arrangements have therefore been made for a directory in this city. Foreman Brothers, well-known Chicago bankers, will also be connected with the North German as directors. Mr. E. H. Harbers, now secretary and general manager, will continue with the North German and will probably have charge of the Eastern business. It is stated that the North German proposes to operate on conservative lines in all of the large cities of the United States. J. Claussen, general manager of the North German of Hamburg, and under whose supervision the North German of New York was organized in 1899, will be in Chicago shortly to conclude the final arrangements. The North German of Hamburg will continue an interest in the New York company, approximating $50,000.

IN the Massachusetts Supreme Court, sitting at Pittsfield this week, in the case of William P. Doyle, of New Marlboro, against the American Fire insurance company, some interesting law questions were brought out. It seems that some years ago Doyle bought a farm, and had the buildings insured in the defendant company. Later he transferred, through a third party, his interest in the farm to his wife, but the policy was not changed, it standing in his name. Afterward the barn burned, and the company, not knowing of the change in title, paid the loss. This enabled Doyle to build another barn, which burned a few years ago, and an agent of the company going to adjust the loss for the second time, discovered the change of title and declined to pay the policy. The question is largely one of law, as to whether the policy was valid, when Doyle held no title to the property burned.

THE Reid, Murdoch & Co., wholesale grocery loss in Chicago has been settled at $31,536.66, or less than 4 per cent. on the insurance of over $900,000. This was less than was expected as a smoke damage claim alone, judging from the experience of the companies with the Sprague-Warner loss last year. Warning had been given, however, that if there was any repetition of that deal the rates on cigars and stuff liable to such claims would be put at a figure that would make the companies safe from the extravagant estimates of the merchants. In the Sprague-Warner loss the companies, after protesting vainly against the smoke damage claimed on the cigars, took the stock and sold it at auction at its full valuation, experts declaring that there was not the slightest damage. All that the companies lost was the expenses of the sale.

THE Williamsburgh City Fire of New York city will test the Texas anti-Trust act in the courts. A few days ago Attorney-General Bell, of Texas, filed suit against this company in the District Court at Austin, to forfeit its permit to do business in Texas and for penalties for alleged failure to file its anti-Trust affidavit in the Secretary of State office as required under the anti-Trust law. The company has filed answer to the State's petition and says that the latter does not set forth where and when the defendant company entered into an agreement or understanding with other insurance companies to fix the rates of insurance in Texas. President Driggs has instructed the company's general agents in that State to suspend business there until further notice.

THE Jacksonville, Fla., Board of Trade has reached the conclusion that the city should be rated "first class," and a committee is trying to interest property holders to that end. Chairman McGowan, of the committee, figures that the city is paying annually about $45,000 more for its insurance than it should. The board proposes to ask the South Eastern Tariff Association its requirements in case of a new classification of the city's risks, and calculates that even if $10,000 was spent on new protective equipments enough would be saved on premiums to more than make up for the expenditure. It is also expected that in the event of reclassification the increased volume of business would compensate agents for the cut in rates.

THE mayor of Birmingham, Ala., having requested the executive committee of the South Eastern Tariff Association to send a special agent there at once to adjust insurance rates on the reduced basis agreed upon between the city and the association, Special Agent A. J. Caldwell has been commissioned for the duty, and Secretary Fleming has written the mayor as follows:

We will take this occasion to repeat what was previously said: That the agents in Birmingham will be authorized to make rebates on all policies issued after the date the apparatus is accepted by the association, the same as if new rates were published on that day. The latter being impossible, the best we can do will be to authorize rebates from date named as soon as the new rates are known and published.

THE Nashville *American* says that counsel for the Mutual Reserve Fund Life Association was in that city on Saturday last to see the Insurance Commissioner of Tennessee with the view of trying to settle the differences between the department and the association arising from the efforts of the latter to change from an assessment to a regular company. The *American* says:

Commissioner Folk would not agree to allow the company to enforce its liens in this State, and he decided that he could not reverse a former ruling in this case, and that the company must drop the plan of making the change or submit the matter to the courts in an agreed or test case. In the event of its refusal to do this the commissioner will revoke the license of the company.

WHILE the charter of the Millers and Manufacturers Mutual insurance company of Minneapolis permits it to issue policies both on the stock and mutual plan, it was admitted to Massachusetts strictly as a mutual, and cannot issue stock rate policies in that State. For that reason its Massachusetts policyholders have been liable for the assessment which it recently levied, and about all the Boston agencies have complied with this requirement. In a number of cases some of the agency firms even went so far as to pay the assessment our of their own pocket rather than inconvenience their customers.

THE Grand Rapids insurance agency of C. W. Watkins & Co. has been incorporated as the Grand Rapids Insurance Agency with $10,000 capital stock. Several stockholders have no connection with insurance except as large insurers, and some companies look upon such incorporations as merely a method of rebating to the assured.

THE proposed Mutual Life insurance company of Illinois has had its declaration and charter approved by Superintendent

Yates, of the Illinois Department. The company intends to start with not less than $100,000 cash capital and $500,000 authorized. The Chicago incorporators include Charles N. Goodnow, H. S. Duncombe, Albert O. Howe, Francis M. Bradshaw, Lewis D. Cortright, Charles A. Curry, F. H. Gansberger, Bernside E. Hamilton and E. M. Ashcraft. The promoters do not expect to begin business before next year.

In the Clay County Circuit Court at Louisville, Ill., on Tuesday, H. H. Klayer's suits against nineteen insurance companies and agents were dismissed, because he failed to comply with the requirement of the court to put up bonds in each suit. Klayer was unable to supply the bonds and was thrown out of court. He has filed several suits in Sangamon County against the Ætna insurance company, asking damages of $435,000.

At Atlanta, Ga., the leading fire insurance agents have organized an Exchange with the object of "elevating and purifying the business," and incidentally to facilitate the placing of the same among themselves. The Exchange will hold monthly meetings and will, it is said, have nothing to do with rate making. The officers are John Whitner, president; Edward S. McCandless, vice-president, and J. S. Raine, Jr., secretary.

The result of the examination of the Newark Fire insurance company by Actuary S. H. Wolfe has been published by Commissioner Bettle, of New Jersey. The report is as of June 30, 1901, and shows gross assets of $767,232.16, and liabilities exclusive of capital of $158,814.69. The capital being $250,000, the net surplus therefore was $358,417.47. Mr. Wolfe is now engaged in examining the American Fire of Newark.

It was expected that the advanced rates on coal wharves would be submitted to the Boston Board of Fire Underwriters by its tariff committee at last Tuesday's meeting, but as the committee had not quite completed its work the rates will not be ready for promulgation much before the end of the month. Messrs. F. W. Porter, F. B. Carpenter and H. B. Alden have been added to the committee.

The Ohio conference on legislation, held at Cleveland on Thursday, was a very successful one, with a general attendance of representatives of the non-Union and State companies whose co-operation was so much desired by the Union companies which had been most active in the work. A committee of fifteen is to prepare the legislation agreed upon, representing all the insurance interests and the commercial bodies.

The annual meeting of the Illinois Association of Local Agents at Chicago Saturday was a ratification meeting for the administration of the past year, which was re-elected without change. President Wachenheimer announced that his policy would be to have the association as a latent force, but not as an agitator.

The National Life of the United States of America has succeeded in convincing its agents that there was no intention of selling out on the part of the managing members, and it reports $8,000,000 in new business written during the first half of the year, most of it in the South.

The Erie Fire of Buffalo has retired from Maine, Vermont and New Hampshire, and has discontinued its New England general agency, which was conducted by Frank A. Colley, of Boston. The company remains in Connecticut, however.

The $100,000 stock of the Hooker Glass Company, in Chicago, had been reported to the companies as a total loss, but the wreckers have found that there will be about $10,000 salvage on stock in the basement that escaped the flames.

The wide-awake proprietor of the *Insurance Herald*, of Louisville, has opened an Atlanta office for his publication. It is in charge of his brother, Mr. Edward Geldert, and is located at Room 1006 in the English-American Building.

The Delaware insurance commissioner has revoked the certificate issued to the Commercial insurance company of Wilmington in that State.

Personal

Agency Appointments.

Manchester Fire: S. C. Warrener, Springfield, Mass.

Merchants of Newark: Adolph Loeb & Son, Chicago, Ill., succeeding George R. Lewis.

Michigan Fire and Marine: H. E. Everett, of Columbus, Ohio, special agent for Ohio and Indiana.

North British and Mercantile: C. M. Nichols & Co., Chicago, with an independent line.

Northern of London: Holyoke & Russell, Marlboro, Mass.

Preferred Accident: Mrs. Clara A. Bassett, Lynn, Mass.

Svea: Holyoke & Russell, Marlboro, Mass.

United States Fire: G. M. Austin, Lawrence, Mass.

Mr. George Tapley, at the ripe age of eighty-two years, died at Danvers, Mass., August 26. In 1862, the year in which the John Hancock Mutual Life started in business, Mr. Tapley was appointed its general agent for Essex County, and held that position as long as he lived.

Mr. Irving R. Stevens, special agent of the Manhattan Life of New York at Ithaca, N. Y., for the past four years, has taken the general agency of the Home Life of New York in the same place.

Mr. William Ralston Heath, a special agent of the Commercial Union at San Francisco, Cal., died there August 30, after an illness of two weeks, aged thirty-four years.

Manager E. S. Gay, of the North American, Philadelphia Underwriters and State of Pennsylvania, in Atlanta, has withdrawn from the Southern Inspection Bureau.

One C. R. Munger has been arrested at Houston, Tex., accused of doing business for the Great Britain insurance company of London, a notorious wildcat.

Mr. Charles E. Newhouse, a prominent insurance man of Wabash, Ind., dropped dead in that city September 3. He was forty years old.

Miscellany.

NATIONAL ASSOCIATION OF LOCAL FIRE INSURANCE AGENTS.

Proceedings of the Sixth Annual Meeting.

(Special Report.)

Put-in-Bay, Ohio, September 11.—The sixth annual meeting of the National Association of Local Fire Insurance Agents was called to order at the Hotel Victory, Put-in-Bay, Monday afternoon by President Markham, twenty-nine States being represented by over 200 delegates. Several States sent one delegate each, while Ohio carried off the palm with fifty-four agents.

WELCOME BY THE PRESIDENT OF THE CLEVELAND INSURANCE EXCHANGE.

The address of welcome was spoken by Mr. Fred P. Thomas, president of the Cleveland Fire Insurance Exchange. In felicitous phrases he eulogized the great State of Ohio and its commercial metropolis, the beautiful city of Cleveland, and alluded to the island on which they were met as near the scene of Oliver Hazard Perry's great victory in the War of 1812. Continuing Mr. Thomas said:

I assure you it is a pleasure to welcome this representative

body of men, the bone and sinew of the fire insurance fraternity, gathered here from all sections of our country.

You have grown in five years from a mere handful of men until now you have a large and powerful organization. Your wonderful growth and the results already accomplished by this association are evidence that the influence of agents, when so organized, is a great power and can be made of great advantage to your companies as well as yourselves. It is true you are the companies' representatives, and they are responsible for your actions, but while you are subject to their supervision and direction, yet you should have their protection and encouragement in every worthy effort to improve your calling. You exert an influence in your communities that must not be overlooked or underrated. The sentiments created by the Local Agents' Association has already found its expression in legislative bodies of all States. The time is coming, gentlemen, in the near future, when you will meet and realize that your efforts have not been in vain. What a happy assemblage this would be with the knowledge that multiple agencies were no more, that sole agencies prevailed everywhere, and, gentlemen, it is coming surely, and best of all, by the voluntary action of the companies themselves. How satisfactory it would be to learn that there were no anti-compact laws, no anti-coinsurance laws, no valued policy laws, no overhead writing and the State legislatures showing a disposition to enact no fire insurance legislation unless it bore the stamp of approval of the State associations of local agents. Much of this can be accomplished by the continued co-operation of the local agents in furthering the reforms to which this association stands committed.

I sincerely trust, gentlemen, that the results of this meeting will be far-reaching in stimulating the local agents everywhere to co-operate with you in the work in which this association is engaged.

On behalf of the Cleveland agents I again bid you welcome, thrice welcome, extending to you the right hand of fellowship, and it is our wish that, when you are through with your deliberations at this meeting, you return with us to Cleveland that we may further entertain you there.

The keys of the city and of this island are in your hands; all things which I have enumerated are yours while you are with us; we are at your service, and you have but to command us. We await your commands.

Mr. Robinson, of Louisville, who was to respond, did not arrive in time, and Mr. Geer, first vice-president, after saying that a "dare" was one of the things a Kentuckian never refused, "dared" J. J. Barrett, of Louisville, to act as substitute for Mr. Robinson, and Mr. Barrett sustained the reputation of his State by responding eloquently and expressing the hope that the National Association would always continue to contend for all that is right in the insurance business. He closed by saying that "We, the cream of the profession, must continue to try to save the skim milk from annihilation. We will be glad to welcome you to Louisville in 1902."

PRESIDENT MARKHAM'S ADDRESS.

The president spoke as follows:

Fellow Agents and Friends—The National Association of Local Fire Insurance Agents has come to have executive responsibilities. In the beginning its business was to reassert the disregarded rights of the local agents, and by trumpet-like declarations of principles to summon the local agents to the recruiting offices of the State associations. At that stage of its growth the work of the association was largely academic in character. But the time was ripe for the gathering of local agents into these associations. The usefulness of associated effort was evident. Many abuses harassed the agents and drove them together to co-operate for relief. And, as the besetting evils were alike in all sections of the country, the resolutions of the conventions at St. Louis, Detroit and Buffalo, stirred the hearts of agents everywhere. So the State associations expanded in membership, grew confident and enthusiastic and ready to move in the work of reform to which they were called. To-day the hour for planning and promising has passed; the hour for action has arrived, and, accordingly, we find that the activities of the National and State associations during the past year are more striking than the new problems that have arisen, or the new principles that have been enunciated. Let me call your attention to some things that the National Association has accomplished during the last year.

The president alluded to the part taken by the National Association in promoting the movement for a code of uniform insurance laws and for the repeal of the war tax, and continued:

MISSOURI EXPERIMENT IN LEGISLATION.

An interesting and convincing test of the political power of the local agents was made in Missouri. That State seemed to furnish a capital opportunity to find out whether the organized local agents could swing public opinion as we theoretically believed they could. Missouri was anti-trust, anti-corporation, anti-compact, anti-foreign capital, and fiercely opposed to what was honestly believed to be a dangerous tendency toward combination and oppression. Missouri appeared to be committed especially to the attempt to force back insurance conditions to the old disorganized methods of trading, because the general disposition was aggravated as regards insurance by two special causes of bitterness.

First, there had been a long battle between compact rating and public sentiment in the two cities of Kansas City and St. Joseph, which ended in lawsuits to oust the insurance companies from Missouri. The result of this contest was a deep seated irritation among the State officials and in the communities named, and violent rage among the companies that paid the $1,000 fine and costs. Let me interject just here that St. Louis went through all this turmoil without any interruption of the cordial relations between her business community and her local board—an evidence of the value of interesting the local agents in the defense of rating machinery.

The second special cause of bitterness arose in Kansas City from the action of a merchant who was somewhat unbalanced on the subject of the administration of the Kansas City Rating Bureau, and carried the Kansas City Commercial Club with him in a violent attack on the whole insurance fraternity. To this attack a most vigorous reply was made by a Chicago manager, and blood was boiling furiously on both sides.

This was the state of affairs in Missouri. Hence we believed that the question of the working value of agents' associations would be settled if we could harmonize insurance interests and a State that was in such a temper. Of course, there was difficulty in determining our plans; we all wanted to attempt the utmost that there was any chance of accomplishing; but we felt that the association could not afford to fail. We, of course, depended on local agents' investigations and opinions as to what we could safely attempt. As soon as the agents were agreed we submitted the plans to the Insurance Department of the State, knowing that any propositions that could not obtain the support of the Insurance Department were hopeless. When we had obtained the approval of the Insurance Department we submitted the plans to the managers. When the managers were convinced that we could not safely attempt more than was proposed they approved our plans. We then organized the State of Missouri by appointing a vice-president in every Senatorial district and a county chairman in every county but ten (out of 114), so that both Senate and House of Representatives were paralleled by an active agent corresponding to each member of the Legislature, and pledged to use his own influence with his member, and to secure petitions, letters and telegrams from the member's constituents.

We offered four bills—a fire marshal law and three bills repealing anti-compact, anti-co-insurance and valued policy laws. The fire marshal bill was defeated in Senate committee because it made additional offices and expense. The Senate committee also turned down the anti-coinsurance bill. The valued policy law was lost because the Senate committee honestly believed that a guileless purchaser of insurance might be induced to buy more than he needed by an agent who was paid by commission, if the insurance company were permitted to limit its loss by the amount of damage that could be proved. The fight centred on the agents' rate bill. I cannot tell the story of the battle here, no matter how interesting it might prove. What we hoped to establish was that the local men, when organized, could control the opinion and action of the politicians; and this was proved by our passing through the Senate and passing to engrossment in the House a bill permitting combinations of agents to make insurance rates. If the bill had not been blocked by a technicality in the House, but had been allowed to come to a vote, we would have passed it, for a majority of the members of the House stood pledged to vote for it.

To show what influence the organized local agents can bring to bear in legislative affairs, I wish to impress the following fact thoroughly on your minds: On the day that we expected to vote in the House there poured into that body over 150

telegrams from groups of premium payers in the counties and from mercantile manufacturing associations in the cities. During this fight we had the active assistance of every representative of the three great cities—St. Louis, Kansas City and St. Joseph, of both parties in both houses of the Legislature. That we lost the bill "is another story," as Kipling says, and is really unimportant, for our demonstration of the political power of the organized agents has made it unreasonable in Missouri for politicians to seek renown by attacking the insurance interests. To-day all the leading politicians of the State are in friendly accord with the Missouri Association of Local Fire Insurance Agents, and assure us that proper reform can be secured without difficulty from the next Legislature.

NATIONAL ASSOCIATION AND STATE LEGISLATION.

Your executive committee will propose in the new by-laws that the legislative committee of the National Association be given power to restrain a State association from advocating a law which the national committee thinks unwise. I hope that this convention will adopt and that the State association will confirm this by-law, because I believe that the growth of our State associations is retarded because we have no national control over State legislative plans. Our association is considered a mere collection of independent State bodies, from whose undirected efforts will come confusion and objectionable laws. Of course, this view is incorrect and unjust. As a matter of fact, all association work tends to progressive uniformity; the association conventions afford interchange of ideas; State associations imitate each other's efforts; and our National Association has even induced the Insurance Commissioners to begin the preparation of a uniform code of insurance laws. Nor has any State association ever showed a headlong or obstinate determination to push legislation when the officials of the National Association have suggested a pause. Therefore a national veto power would really make no great change in our practice; its main effect would be to certify the solidarity of our associations to the insurance fraternity. I see no danger in the proposed veto. I believe that the State associations may safely grant it in unrestricted terms. For if we find that the national legislative committee is exercising a supervision too minute for the healthy development of the State associations we will restrain the committee at the next national convention. This convention is made up of State delegations, and would promptly suppress an officious national committee. But the tact and good sense of our national legislative committee can be trusted. The veto power will be exercised only when the good of the whole association demands its use. Let the power be ready for the emergency.

BROKERAGE RULES.

The wisdom of the Milwaukee resolution suggesting the principles that govern the payment of commissions to a non-resident broker has been amply confirmed during the year that has passed. There is constant friction over this matter in different sections of the country, as might be expected when we consider how sensitive we all are to the loss of commissions. But the Milwaukee resolution has met the approval of an overwhelming majority of agents, and bids fair to settle practice, with, perhaps, only enough exceptions to prove the rule. The shaping effect of that clear and sensible resolution is an interesting illustration of the power of this association to assist the right evolution of the business. Many local associations, including the Chicago local board, have adopted the rule of commissions to non-resident brokers on business of non-residents only, not of local owners, as outlined by our Milwaukee convention. The justice of protecting local agents against invading brokers was recognized by the Union in a rule prohibiting its members from writing even at tariff rate and form where policies were to be used by a non-resident broker to complete a cut or rebated line.

ASSOCIATION BULLETIN.

The Milwaukee convention adopted the following resolution:

Resolved, That the president, secretary and chairmen of the standing committees be a committee authorized to issue a bulletin. The said publication not to accept advertisements nor intrude upon the field now so ably covered by the insurance press.

It is still more evident, after another year of experience, that the association needs some method of informing its members regarding association matters, and this can be said without reflecting in any wise on the friendly and favorable notices that are continually given in the insurance press to all association affairs. If our members did as they should, and subscribed, every man, to the leading insurance journals of the country, and then carefully read every issue we would have our bulletin work done much better than we can ever hope to do it ourselves; but the trouble is that the local agents cannot afford, as a rule, to take many insurance papers, and some local agents have never formed the valuable habit of reading insurance journals. A few local agents claim that they are too busy to read about the association, even though they subscribe to the insurance journals. Of course, the last named class are hopeless; they have already learned all there is to know, and the great movements that are being brought out to-day are not worth their attention. But agents' associations can never utilize their full strength unless the nerve line of communication is put into operation clear out to the most modest agent in the smallest town. The combined opinion of the agency class is our irresistible influence; some way must be devised by which this opinion may be quickly aroused and directed. The executive committee will have a report to make on this subject.

STATISTICS OF LOSSES.

The Milwaukee convention directed the secretary to assist the national board in obtaining statistics of fire losses. The officers have endeavored to carry out the instructions of the association, and to assist our friends of the national board in every way in our power. Every member of our association must appreciate the obligation that rests on us all to stand squarely with the national board whenever we have an opportunity to be of service to them. President Sheldon honored our association by inviting your president to the meeting of the national board in New York, May 9. I attended the business session during the day and the banquet in the evening, and was accorded the honor of an opportunity to speak to that distinguished assembly, after the dinner, on the relations of our association to the national board. I am sure I voiced the feeling of every one of our members when I pledged our loyal and hearty assistance to that honored body in all its moves for the good of the business throughout our country.

FIRE MARSHAL LAWS.

The efforts of various State associations to obtain the passage of fire marshal laws have been praiseworthy. We cannot serve the public or the insurance interests better than by securing well designed fire marshal laws in every State. But it is clear that the full measure of benefit cannot be secured until all the States have this law. We should, therefore, encourage the State associations to continue their efforts for this reform.

OVERHEAD WRITING.

There is no longer any debate or doubt as to overhead writing being an insurance crime. This association, with the hearty co-operation of the companies, has completely settled insurance law on that subject. The little overhead writing that still continues is done in a shame faced manner, and is concealed like any other disgrace, in marked contrast to the bold and ably defended practice of the days before our association attacked this abuse. I was called on but once this year to write to managers and complain of overhead writing, and in that case the reply was made that they had no agents where the risk was located. But we must devise some method to check the overhead writing that is still being done by agents who write in the territory of other agents. I believe that most men who have enough honorable feeling and love for the business to belong to our association recognize that overhead writing is no less a crime for an agent toward another agent than for a company toward an agent; and I also believe that most of our members observe the rules of honor and courtesy and send business located outside of their territory to the local member to write. It would, however, be wise for the National Association to declare this principle in unmistakable terms, and to call upon the companies to limit definitely the boundaries of an agent's authority, and confine him strictly to those limits. We must never rest until we get a strictly defined territory, and that territory sacred to the agent, and only one agent in that territory.

SCHEDULE RATING.

The Milwaukee convention declared in favor of equalizing rates and called upon rating authorities to take immediate action that more equitable methods be at once adopted, and that proper and just rates be promulgated. The year that has passed has seen marked progress toward the scientific and equitable rate. Everyone in our business is growing enlightened as to the terms under which the public will permit us to agree on insurance rates. The old principle of exploiting a

territory, or charging "as much as the traffic will bear," is now so thoroughly discredited that many will doubt that it was ever generally practiced. In the advances in rates that have been made during the last year in different sections of the country it has been honestly attempted to make the increases on the unprofitable classes instead of making a flat advance. This moderate and sensible policy marks a great advance toward the equitable rate.

When insurance men learn that it is wiser to ascertain and use a just and fair rate rather than continue haphazard methods that draw a train of hostility after them, then the agent will see the dawn of the day for which he has been looking. The wild fluctuations between greed for premiums and terror at the sight of a daily report—between a market cut to pieces by rebating, cut rates and "bubble" companies and a market in which it is impossible to cover a risk of any size—this alternate "chills and fever" of the business will pass away, and the agent will have what he longs to see—a peaceful market in which he can steadily build up his business among customers who are satisfied and contented under an equitable system of rating.

To this goal we must all help the business to develop. Whether in the course of that development it may be found best to give the agent a larger partnership in the rating no one can prophesy. But sure it is that any arrangement which will educate the agent as to the reasons why a rate is charged will make him a safer and more successful underwriter; and any means by which the agent can understand a rate and be convinced of its justice will make him an invincible defender of the rating machinery.

MULTIPLE AGENCIES.

There have been many indications that insurance opinion is crystallizing against the multiple agency abuse. In New England the subject was canvassed by the Massachusetts association, with the results showing that the business is being constantly cut up and the position of the local agent is deteriorating. This demonstration increased the feeling in all the States against the multiple agency system. Insurance papers have had frequent mention of one company after another adopting the single agency rule in various cities. Louisville has illustrated the ability of the agents, when resolute and united, to control this abuse. When there appeared to be a chance of a new association of all the companies operating in large Western cities, for the purpose of checking the demoralization in those cities, the local agents drew together in a conference of delegates at Chicago, May 30, 1901, and united in the declaration that the sole agency system was the first essential of reform in the large cities. This conference was significant because the delegates were elected by the whole body of agents in those cities, and, therefore, spoke with complete authority. The resolution was as follows:

The present system of multiple agencies, admitted by most companies to be utterly vicious, stands directly in the path of needed reforms. With only one agent for each company an agency appointment would be a valuable business franchise, readily placed at a lower commission than now obtains. It would naturally be given only to the best class of agents; would again universally invest responsibility and loyalty in agency representation; would put control of underwriting facilities in the hands of the men who fight the battles of sound insurance in their communities, and so rectify in a large degree the whole insurance situation.

The State associations in convention have indorsed the strong denunciation of multiple agencies that was adopted at Milwaukee last year by the National Association. Agency opinion is a unit on this proposition, and the majority of the companies agree with the agents. The whole movement is ready to pass from the stage of discussion to that of action, but every one is puzzled to know what first practical step to take. In considering that question let us review a little. When there was a prospect last year that the Milwaukee convention would attempt some vigorous action toward single agencies the move was opposed by the managers, who stated that they would fight any proposition which permitted several appointments to a company with annexes and subsidiary companies, when a company that had not multiplied itself was to be held down to one agent. During the year that has passed Mr. Woodworth's suggestion that the essential benefits of single agencies could be obtained by grouping in one agency the appointments of all companies of the same blood, has been followed to some extent and sole agency sentiment has perceptibly strengthened. Continued losses in underwriting have lessened the eagerness of companies for mere volume of premiums. They are beginning to look for agents that can make money.

Many managers are thinking that if agents can be improved in grade and loyalty by the sole agency system, and expenses can be reduced, perhaps they had better inaugurate the reform, trusting to work out, in combination with the agents, any injustice as between companies that is developed in the application of the sole agency rule. With public sentiment more favorable, we are now confronted by the question: What shall we do to help the establishment of the sole agency principle? Will mere resolutions, however vigorous, suffice? Ought we not to go about the actual accomplishment of the sole agency reform if we all agree that the business needs it? For unless a definite method of preventing multiplied appointments is achieved at this time we must make up our minds to see it postponed a decade; because just as soon as a profit begins to appear in the business the demand for volume of premiums will arise once more, and every manager will be too busy appointing agents to listen to our arguments against the multiple agency system.

But if at this time we can establish the principle of one agent in each territory (the company to limit the territory as it wishes) we thus insure the agency class against further degradation when the desire for volume of premiums returns. Multiple agencies are also contrary to public policy. For if the sole agency rule is in operation when profit begins to appear in underwriting the public will get the benefit, in lower rates, of that margin of profit which would otherwise be expended in tempting into the business fresh hordes of solicitors. Now, how can we accomplish this definite and permanent adoption of the sole agency principle?

I believe it is possible to obtain a sole agency agreement with the companies. I see no insurmountable obstacle in the way. There are difficulties, no doubt, but I see none that are prohibitory. The overwhelming majority of companies and managers agree with us that the business could be done at less expense and with more satisfaction under the sole agency system. They would be glad to adopt that system if they were not afraid of being put at a disadvantage by some other company that was unrestrained and free to take up all of the multiple appointments which would have to be surrendered. But underwriting is now unprofitable and this sensitive jealousy is at low ebb. Besides, may it not be possible to control this troublesome "other fellow"? Let us suppose, for an instant, that the value of the sole agency reform had been conclusively and authoritatively established at a conference between the united local agents of the nation, represented by this association, and an assemblage of company officials recognized to represent the views of insurance capital.

Would not every insurance paper in the country enthusiastically herald the decision of such a conference? And would not the public opinion of our business set so clearly in the direction of the reform that every important company would swing to it? How could any single company or small group of companies afford to reject the good will of the united agents, if those agents were led and encouraged by the officers and traveling men of all the other companies? Public opinion is irresistible when fully aroused, thoroughly informed and definitely determined to accomplish anything that is clearly recognized to be necessary.

Let us, therefore, ask for a conference, in November, with accredited representatives from the national board, and with the officers of the unassociated companies. Let that conference decide whether sole agency reform is of sufficient value to the business to compensate for any concessions that might be found necessary in the accomplishment of it. Should the conference approve the reform it should then set a date far enough ahead for companies and agents to adjust matters—say, January 1, 1902—after which date no company could maintain or appoint two agents in a given territory, nor could any agent represent thereafter a fraction of a company under such penalties as had been determined by the conference.

Were such a conclusion reached by an assemblage commanding the confidence of the insurance world it would settle the multiple agency evil forever. Any company that might then be tempted to measure the beggarly benefits of multiplied appointments against the outraged feelings of their colleagues and of the organized agency force of the United States would simply demonstrate the business folly of its action. I therefore recommend that this association direct its officers to request such a conference in such manner as they may deem best.

SUPERFLUOUS AGENTS IN THE TOWNS.

The evil of over-appointment of agents is seen in the smaller places. In many towns insurance would be better done if there were fewer agents. The business is so sub-divided that first-class agency service cannot be reimbursed by the profits of an agency. How this can be remedied will be developed as our

associations prove successful and useful. The agents of a whole State, when united, can secure anything that is just and reasonable. Besides, as time passes and the companies recognize that we are rendering valuable service they will gladly consider such suggestions from us. The proposed November conference with the companies can take up this question also and outline a proper course to accomplish reform. None of us desire to abridge the liberty of a company to make agency appointments; we only wish to arrange an equitable regulation of appointments that shall be satisfactory to them, and improve the business for them and us.

REBATING.

When the local agents from the Western excepted cities met in Chicago on May 30 and adopted the resolution in favor of single agencies, they also adopted the following:

We also declare that until companies and managers recognize that rebaters neutralize the efforts of honorable and loyal agents, and until an effective rule is enforced between the companies compelling the discharge of a rebating agent or employee, the most noxious source of demoralization will continue and healthful co-operation be found impossible.

In this resolution a question of the utmost importance is raised. Will it ever be possible to obtain really harmonious co-operation between the companies and the agents so long as it is considered permissible for so-called honorable companies to continue well-known demoralizers as their agents? The shameful doctrine that a reputable company need not hesitate to profit by practices on the agent's part which all companies and agents profess to despise and combat seems to condemn itself in the telling. But how many towns can testify to a low tone of business and to a diminished income for all agents because some disreputable agent has been armed with the appointments of first-class companies, and can therefore make decent trading impossible? In fact, his power for harm is directly proportioned to the grade of companies he represents. Were he confined to unimportant or disreputable companies he would be comparatively harmless. Therefore, is it not time that insurance doctrine be defined as regards the obligations of first-class insurance companies to the general interests of the local agents?

We hear a great deal about the obligations of the local agents to the business, and we hear none too much, for the interests of the good local agents are identical with the best interests of the companies; but is there not as real an obligation resting on such companies as expect to stay in business? Does not business sense join with common justice in declaring that no company can say "We are not concerned with the way in which our agent gets business so long as our reports show correct rate and form"? Mankind's thought on such an argument has long since settled into the proverb "The receiver is as bad as the thief." I therefore recommend that this convention denounce the rebater and his partner—the easy-conscience company—in unmistakable terms, and instruct our incoming executive committee to obtain proper restraining legislation in all insurance organizations.

THE GROWTH OF THE ASSOCIATION.

Thirty-nine associations are active and successful; several have a form of organization, but show no activity. Several are in process of organization or reorganization. The possibilities of a good State association are shown by the fact that the average growth of seven of the largest associations shows 46.7 per cent. increase in membership during the last year. The State presidents all think that the associations will ultimately draw into membership all of the substantial agents. That Arkansas should spontaneously form an organization representing, from the start, 70 per cent. of the premiums of the State is a striking evidence of the power of the movement. To local agents in States where the associations appear to languish we must send a stirring call to individual interest and work. In such States every local agent must become a member, so that he can do his part to bring his State association up to the high standard of success that has been achieved in other States.

CONCLUSION.

Fellow Agents! Our association is a proof of the wisdom of effort. In spite of opposition we have built it; in spite of opposition it has accomplished its great work for the American agency system. And everywhere and always the men who are willing to try must drag along the men who do not care or do not dare. To-day we face a future full of opportunity. Shall we move forward into the position of responsibility and influence that is ours for the taking, or shall we hesitate and draw back? Heavy expenses and burdensome State laws are crushing the companies. If reinsurances and failures are not checked the situation will only right itself through the savage operation of the law of the "survival of the fittest." That means violent fluctuations in rates and profit—the rise and disastrous end of "bubble" companies—and the ultimate concentration of the business into the hand of a few giant companies (or even a single colossal organization) in possession of the market, and dictating terms to such agents as are needed.

On the other hand, all our work tends to prevent such an outcome. Our efforts to improve the situation of the agents means that the business will be better done and at less expense. The certain result of widespread organization of the agents is relief from burdensome legislation. Thus the instinct of self preservation and the call of duty unite to urge us forward. We can serve our country as we serve ourselves. For so far as we succeed in modifying the course of events enough to save some companies from failure or absorption, we preserve necessary underwriting facilities for the congested districts of the cities and for the large manufacturing and storage enterprises, and we prevent the dangerous concentration of the business. These good things we can do; but to succeed we must be clean in our motives, clear in our thinking, and never count the cost in time or money.

Such a course will win the companies to a close alliance with our organization. May the time soon come when the National Association of Local Fire Insurance Agents is recognized as the great fundamental security of our business—conservative, loving justice, strong to help the right!

REPORT OF THE EXECUTIVE COMMITTEE.

Mr. C. P. Whitney, chairman of the executive committee, submitted a short report in which recommendations were made that the location and date of annual conventions be left hereafter to the committee to determine, that a bulletin be published by the association and that an assistant secretary be appointed. In reference to proposed amendments to the constitution of the society, the committee said:

While there are several minor changes, the important point at issue is the question of the powers of the committee on legislation. Experience throughout the United States this last year has demonstrated to the officers and executive committee of the National Association that some action of this character is absolutely necessary in order to hold our association intact, and it is our opinion that proposed legislation by any of the State associations should be first approved by a majority vote of the members of the national committee on legislation. While this may seem radical to some of our members, yet if it is given fair and impartial consideration it will convince the most conservative that it is,

First: Due the National Association that no legislation shall be advocated by State associations that will react upon or embarrass the National Association in its general scope of doing the greatest good for the greatest number.

Second: That it is due the companies whose interests we represent that no legislation shall be introduced by any State associations without first having been submitted to them for consideration, and a conference can easily and quickly be arranged by the chairman of the national committee on legislation.

Third: While this committee of a necessity must be representative of our strongest and most tried members on legislative matters from different sections of the United States, it will also occupy a position to give valuable advice and suggestions based upon practical experiences which is exceedingly desirable when *new* legislation is advocated.

Members not closely connected with the operations of this association can have no conception of the great good and influence that can be and is brought to bear by *organization* that is carefully and conservatively managed, and on this point hinges our ability to successfully deal with the great problems of the day affecting our mutual interests.

It was voted to refer all reports and other matters to the Committee on Recommendations and Resolutions.

REPORT OF THE GRIEVANCE COMMITTEE.

Mr. Merwin Jackson, of Toledo, Ohio, chairman of the grievance committee, reported as follows:

The work of the grievance committee during the past year has changed very much in character from that of previous years,

owing to the general acceptance of some reforms and to the greatly increased efficiency of the State associations.

By far the greater number of complaints of this year have been successfully handled by the officers of the State in which the complaint arose. It is the opinion of your committee that this will be the way in which nearly all troubles will be settled in the future, as the State organizations become more familiar with their powers and better accustomed to their duties, leaving to the national body only such cases as prove beyond their control. This assumption of responsibility and skill in handling troubles on the part of the State associations has materially reduced the work of this committee by relieving it of many matters of local interest only, and frequently getting important concessions through direct contact with the interested parties.

OVERHEAD WRITING.

The abuse known as overhead writing, strictly so defined, has almost entirely disappeared. Your committee believes that no company now openly allows one agent to write in the territory of another, and that there is little danger of the abuse getting a foothold again.

There have been seven complaints of supposed cases of overhead writing lodged with this committee. In two of them it was found that agents in the town had written the policies though contrary to their agreements with other agents. Three were found to be written by agents in neighboring towns, but in companies having no agent in the town where the risk was located. One is still being investigated, but so far no company having an agent in the town can be found to have anything on the risk. One case proved to be technically no violation of the rule, but really a violation of its spirit. The risk was located in a suburb of one of our smaller cities, but outside the corporate limits. It was written by agents in a nearby large city, though it had heretofore been carried by the agents in the first named town, and was rated by the local board. The rate obtained was the full local board rate, but suspicion pointed to some underhanded method to induce the change.

Upon the case being laid before the companies interested they agreed with the committee that such action tended to undermine the confidence between agent and company, and that the spirit of the campaign against overhead writing had been violated, though not the letter, and the policies of the large city agents were cancelled.

The principal source from which such troubles arise is the question of control of property of non-residents by non-resident agents, especially trust properties. The need for uniform rules upon this subject is very apparent, but your committee is unable to suggest any method of adjusting the matter on account of the wide differences in local practices. We would recommend that State associations take this matter into consideration and devise measures which would be satisfactory to the greatest number of agents.

MULTIPLE AGENCIES.

A large number of complaints have been made of multiple agency troubles, many of which have resulted in material advance toward the single agency system. The situation in this regard differs so greatly with each location that it is impossible to obtain complete and immediate results without disturbing the business in an unwarranted degree.

Great advances have been made, however, many towns, especially among those of under 100,000 inhabitants, have done away with the practice altogether, and in many more, both large and small, the number of such agencies has been very much reduced. Company managers generally admit that this practice is injurious and the source of much of the reduction in rates and increased expenses which have absorbed the legitimate profits of the business.

Agents, on the other hand, apparently have grown to look on the multiple agency company as opposed to their interests and to favor those which are disposed to restrict the evil. This mutual dislike of the practice will certainly work a general, though perhaps gradual, change to better practices.

Your committee recommends that this and all the State associations continue to work against multiple agencies until the practice is entirely abolished.

WITHDRAWALS FROM LOCAL BOARDS.

An unusually large number of cases of withdrawals from local boards or other rating organizations have been reported.

There have been many causes for this state of affairs, especially in States having anti-compact laws, but the principal sources seem to be the desire on the part of companies to secure what is known as "preferred business," and the disputes between companies and agents as to the right of the latter to resign a company and give the business on its books to another. The very term "preferred business" is a confession that the insurance charge is unequally distributed, for all business should be preferred which has no moral hazard.

The more general introduction of schedule rating should so equalize rates that all classes of risks will contribute equally to the final profit or loss. The dispute between agent and company as to their respective rights in business secured by the agent, and by him placed on the books of a company, should concern the two parties only, but where the quarrel results in a rate war, all companies and agents are concerned.

These numerous disturbances in the matter of rates and practices are becoming so widespread as to threaten the success of any movement for the general improvement of the business, and measures should be devised to prevent individual misunderstandings, or greed for the more profitable classes of business, from interfering with the general effort to put insurance upon a paying basis for agents and companies alike.

No agent who wantonly disturbs the good conditions in his locality should receive the benefits of this association; nor should any company which avenges its supposed wrongs upon innocent companies and agents, or which attempts to secure more than its due share of profitable business by rate cutting, rebating or other unfair methods, retain the respect and support of our members.

The rate cutting, rebating agent should be cut off from all fellowship with honest agents, and the rate cutting, rebating company should be given to understand that it cannot selfishly disturb one locality without losing the support of our members all over the country.

Chairman Pinkham, of the committee on State organization, presented his report.

On motion of Mr. Tapping, of Milwaukee, it was voted that all resolutions be referred to the committee on recommendations and resolutions.

On motion of Mr. Barrett, of Kentucky, seconded by Mr. Cosgrove, of South Carolina, it was voted to appoint a committee to draft appropriate resolutions of sympathy to be forwarded to Mrs. McKinley expressive of the feeling of the association in reference to the attempted assassination of the President.

Mr. Mandeville, of Olean, N. Y., introduced a resolution suggesting that ex-presidents of the National Association be ex-officio members of the executive committee. Referred.

Mr. E. W. Wilson, of Salt Lake City, introduced a resolution aimed at rebating companies and advocating the publication of a blacklist. Referred.

Mr. Robinson, of Louisville, having arrived, he was called upon and introduced a resolution in the interest of the single agency idea, which was referred to the committee.

Mr. Robinson also introduced a resolution advocating the joining of forces with the American Bar Association in a movement looking to a uniformity of insurance laws. Referred.

Mr. Woodworth, acting for Mr. Knauft, of St. Paul, offered a resolution advocating the passage of resident agency laws similar to those of Arkansas and North Dakota. This resolution was offered to the Minnesota Association by Secretary Perry, of the St. Paul Fire and Marine insurance company, and adopted by that body. Mr. Knauft's resolution was referred to the committee.

A resolution was offered for Joseph A. Rogers, of St. Paul, asking that a rigid examination in each State be passed by applicants for agency licenses. Referred.

LETTER FROM PRESIDENT CUNNINGHAM.

Mr. Woodworth expressed regret at the unexpected absence of Colonel Beath, secretary of the National Board of Fire Underwriters, who was on the program for an address, and read a communication from Mr. J. L. Cunningham, president of the Glens Falls insurance company. Mr. Cunningham's letter was

in an appreciative vein, and was given close attention. Among other things Mr. Cunningham said:

Will not this national and these State associations by the influence of aggregation and its tendency to make the wisest and best dominant result in a higher conception of the importance and responsibility of the agency relation to our great and honorable business and strengthen its stand against the things that make for its injury and for the things that minister to its reputation, fair fame and honor? Will not these organizations add dignity and power to their membership along the legitimate lines of agency jurisdiction, and give greater force to an influence for the best interests of the business which is peculiarly their own, and which no other class of underwriters can so appropriately or so successfully exert?

These results are but reasonable expectations, and therefore your organization should command the sympathy and best wishes of all who are thoroughly interested in the business it represents.

When I remember what treatment this patient, burden bearing business has received from even some who eat its bread and live upon its revenue; how its interests have been insufficiently served by some who owe it loyal allegiance; how it has been permitted to be abused, belittled and preyed upon by the dishonest, grasping and criminal, by unjust and humiliating legislation, by courts in ingenious, adverse decisions, enlarging its burdens, tying its hands and weakening the judicial protection which it peculiarly needs and to which it is entitled, by jurors opposing their prejudice against law and equity, rendering appeal for simple justice uncertain and hazardous; from the public belief that insurance has no school to offend or backbone to resist—when I think on these things I can heartily welcome the helpfulness which the best influences of your great association so splendidly promises.

REMARKS OF PRESIDENT DE CAMP OF THE WESTERN UNION.

The president then introduced the president of the Western Union, Mr. J. M. De Camp, who said:

I am glad to bring to so large and influential a body the greetings and congratulations of the Union. It was my pleasure and prerogative to revive the Committee of Conference, and I did it on invitation of the secretary of the Kentucky Agents' Association, who, in a courteous letter—and Kentuckians are always courteous—asked that their request for such a committee be presented to the Union. I was glad to do it, because I believed it was the proper thing to do, and that the Union should have such a committee to assist in your future plans and deliberations. In these trying times we certainly cannot forego any influence that makes for good in our business.

Everyone makes mistakes. I have been known to take a copy of the Mercantile Schedule to my summer resort. I have learned better. I now take something light and trifling—like "Colonel Johnson of Johnson's Corners"—more suitable for hammock reading. I am not disparaging the Mercantile Schedule—I could only speak of it to praise and commend—I am merely saying it is not wise to agitate your cranium at the sad seashore.

I think agents, as a class, are too apt to depreciate themselves in their relations to their companies, forgetting that we are all agents, whether officers or managers, in the sense that we are trustees and custodians of others' interests, and that whatever our special title we are each in duty bound to be obedient, loyal, careful and zealous in the matters committed to us.

I am sure the companies realize their indebtedness to the agents of the land. More than once have companies, when technically impaired or suffering from attempts to wreck for stock jobbing advantage, appealed to their agents, who, to their credit, have successfully responded, and the tide was turned.

Given a company of a million dollars capital and the best of managerial brains and it would amount to nothing unless it had behind it an agency corps who brought their grist of daily reports to the mill to be ground into the white flour of indemnity. Money alone does not make a company, the loyalty and good will of its agents being a most invaluable and unpurchasable asset.

The companies wish success to your organization, and realize that it is a promising instrument of assistance in solving the problems that confront us; problems of agency management and expenses, problems growing out of unwise legislation. The matter of personal inspection of your risks is a most vital one. Could the books be rid of risks never seen, a profit would be likely every year.

I think it would be well, however, if this body assisted in reforming some of the evils that agents alone are responsible for. There is the matter of returning untaken policies and expecting the company to give credit in full for the premium after the lapse of four or five or even eleven months. A premium uncollected under thirty or sixty days is properly charged on the agent, who could in most cases effect a cancellation or bring the matter to a close one way or the other.

There is another matter of petty charges for petty adjustments; charges for $2 to $5 for claims not much larger are frequent and very objectionable. I am happy to say that they are not common with the old agents at large places, so much as with the younger agents of the rubber stamp "thanking-you-in-advance" kind.

In this age we are impressed with material things. Enterprises are on a colossal scale, and we are captivated by large aggregations of capital and wealth; but there is another force that makes for success, more invisible, but no less potential, and that is character, which is the basis of confidence, without which no lasting success is attainable, either for corporations or individuals.

THE ROLL CALL OF STATES.

The roll call by States was next in order. Alabama was passed temporarily. Mr. Mills responded for Arkansas, and said that his association was organized June 12 with fifty-eight members and now has seventy-four. It had resulted in a State inspection bureau and a fire marshal law. He indorsed the resident agency law in vogue in Arkansas, which is very stringent in its provisions.

District of Columbia.—Mr. Lee said that the local association had tried to root out the multiple agency evil, but instead had disrupted the board. Commissions should be equalized. One local company has forty agents in Washington who are paid 50 per cent. commission, which makes hard competition.

Georgia.—Mr. Pattillo said that Georgia had about held its own. Overhead writing has not increased, particularly on cotton business, much of which is written by Northern brokers.

Illinois.—Mr. Pellett said the Illinois Association had just passed its second anniversary. It was not out for numbers but rather for representative agents. The "side line" agent seems to have little use for the association, and this feeling is reciprocated. (Applause.) The association has no grievances and no requests to make.

Iowa.—Mr. Okell reported that insurance in his State was staggering under the burden of extremely hostile legislation.

Kentucky.—Mr. Barrett said that overhead writing had almost stopped. There was some dividing of commissions; several companies have taken up dummy agencies. Referring to Mr. De Camp's address he thought character was as applicable to companies as to agents. The greed for business is responsible for most of the current evils.

Maine.—Mr. Pinkham reported 500,000 population, $1,500,000 in premiums and 400 agents, of whom 198 are members of the association. The association has headed off the valued policy and anti-compact bills. Eight or ten multiple agencies had been closed during the year. Maine agents are opposed to special deposit laws and do not believe in going to the Legislature except to oppose bad laws. Companies have not recently placed any multiple agencies, "because they know we don't like it."

At this point an adjournment was had to Tuesday morning.

TUESDAY'S PROCEEDINGS.

The association resumed its sittings Tuesday morning at 11 o'clock, President Markham in the chair.

Mr. Rhodes, of New York, offered a resolution recommending that the rate making power be generally restored by the companies to the agents. Referred to the Executive Committee.

REPORT OF THE COMMITTEE ON LEGISLATION.

Mr. Myer Cohen, of Washington, D. C., chairman of the committee on legislation, reported as follows:

During the last year considerable labor, time and thought have been spent by the chairman of this committee in efforts to effect repeal of the War Revenue act as applied to fire insurance. Interviews with those interested in the same object and with Senators and Members of Congress have taken up considerable time, and it is gratifying to be able to report that the influence of our association was largely felt in the ultimate action. The subject has been fully treated by the president in his report, and it is hardly necessary to again take up your time, but the thanks of the association are due to the insurance press, to *Views* in particular and to Mr. Emmett Rhodes, who, although a local agent, was one of the representatives of the National Board of Fire Underwriters at Washington during the period of the consideration of the measure.

To the National Board of Fire Underwriters the principal credit should be given for the splendid work achieved, but the voice of the people was heard through the medium of our organization.

Reference in my last year's report to the fact of the proposed insurance legislation for the District of Columbia may make it interesting for you to know that on the last day of the session of the Congress which closed March 4 a new Code of General Laws for the District of Columbia was passed. I am happy to say that there had been incorporated therein a very satisfactory portion of our insurance bill, which had been pigeon-holed a year ago, because of an "anti-compact clause" introduced at the eleventh hour. This code goes into effect January 1, 1902, and as there is created thereby the office of Insurance Commissioner, the wild cat native hereabout must seek some other clime, and the business will be regulated hereafter in the customary manner.

The power and importance of this committee will be largely augmented by the adoption of the amendment to the constitution proposed by the executive committee which we hope you may enact into law. The time seems ripe for such enlargement, and my experience for the past two years convinces me that some such authority is necessary to make this committee a real force. I hope therefore there may be no objection on the part of State associations to what may seem at first blush to be a curtailment of their rights. In reality their hands will be strengthened by the approval of the national body in the accomplishment of proper legislation.

REPORT OF SECRETARY HOLMES.

The report of Secretary Frank F. Holmes was as follows:

Since the last annual meeting of this association progress has been made in the way of increased membership and enlarged opportunity. Forty-two States are now organized, most of them are active and all have in their membership a large majority of agents who are exclusively, or at least specially, engaged in the local fire insurance business, and who believe honestly in the prime object of this association, which is the support of right principles and opposition to bad practices in fire underwriting.

The energy of the past year having been largely along the line of more complete organization in the various States and the cementing of different interests into closer harmony with the National Association, has been successful. No conflict or disagreement has occurred between your officers or committees and any State association.

During the year most of the companies have stood by our declaration of principles in the overhead writing agreement, and have also as rapidly as opportunity presented cut down their surplus number of agents, thereby indorsing our multiple agency request.

On the subject of brokerage we have had no complaint of any company insisting on a division of the agent's commission on business located in his territory with any non-resident, thereby acquiescing in our declaration regarding brokerage.

The advantages of co-operation between the companies and this association have not been entirely on the side of local agents. As an evidence of positive accomplishment we may assume that this association and the State associations have been of advantage to the companies by reason of the aid rendered at the time the repeal of the stamp tax on insurance premiums was before Congress. Before the National Board of Fire Underwriters had asked for help the officers of this association had requested their members to address personal letters to friends in Congress, urging them to eliminate the stamp tax on insurance premiums. Our appeals were of some avail, for Congress cut out this tax when amending the Internal Revenue law. Later when the Senate attempted to construct a new law leaving this tax as a burden on our companies, we were requested by the National Board of Fire Underwriters to try to influence certain Senators.

In accordance therewith your secretary addressed letters to many local agents urging them to write their Senators setting forth the reasons for desiring the repeal of the burdensome, unfair stamp tax on premiums. We have on file in our office letters from Senators as well as from Congressmen in which their support was pledged as requested by your members. The tax was repealed. So that if this association has done nothing else for the companies this past year we have at least done something toward saving to them a tax on their annual premiums that would approximate the annual underwriting profits in the United States of all fire insurance companies on their business for the years 1891 to 1901.

Acknowledgment is given our association for this aid in the annual address of the president of the National Board of Fire Underwriters at their last annual meeting. Such a result having been obtained through the united efforts of agents and companies, should not we and they attempt to unite, stay united, and by united effort help each other support right principles and oppose bad practices in fire underwriting? Are not our mutual interests so closely allied that we can do much more for each other and at the same time be true to our own best welfare?

The secretary also thanked the insurance and daily press for their fair treatment of the association, and suggested that the State associations keep the national secretary fully informed of their transactions.

Mr. Duncan, president of the Kentucky Association, extended the cordial invitation of that organization to the National Association to meet at Louisville next year. His remarks were seconded by Messrs. Smith, of Alabama, and Robinson, of Kentucky.

On motion of Mr. Jackson the invitation was referred to the Executive Committee.

The president said that he would now introduce the head of one of the great companies of the country; a man who had always been a power in the business. The speaker was given a rousing reception.

ADDRESS BY PRESIDENT WASHBURN OF THE HOME.

President John S. Washburn of the Home addressed the meeting on "The Reciprocal Relations of Agents and Companies." He said:

In the early days of the local agents' association, in reply to inquiry, I expressed the opinion that the association possessed possibilities for good, but strong probabilities for evil. To-day I would change the form of that opinion and say that while it presents possibilities of evil it also offers possibilities of great good.

When the first utterances of the association were given to the public their whole tone was one of hostility to the companies, it being assumed that there was a constant conflict between companies and agents—which latter body needed to be protected from the oppression of the companies. So long as the association acted under this assumption it could work only evil to all concerned. But better counsels seem to have prevailed and the association now appears to believe that companies and agents have a common interest and should work in harmony. How any other impression should have gained currency it is hard to understand, unless it can be explained by the number of intermediaries which have interposed between principal and agent.

Where communication should be direct and confidential it has been interrupted by stamping officers and rating bureaus, which almost reduced officers and managers of companies to mere recorders and accountants, while the agents have in too many cases become simply premium seekers, both parties being satisfied if the policy can pass the ordeal of the stamping office regardless of its merits. Why wonder that misunderstandings should arise when both parties are acting in this unintelligent fashion? Why wonder that the business of insurance is unprofitable and unpopular? The only wonder is that, in such untoward circumstances, the situation is not worse and the relations between companies and agents even more strained that at present. It is only by the most strenuous exertions of those

who appreciate the situation, and the dangers that threaten, that greater disasters have been avoided. It behooves all those who are interested in fire underwriting to strive to bring about closer and more intimate relations between principal and agent and, so far as may be, to eliminate the factors that tend to promote this disintegration of those relations from which we are suffering. That we are suffering from such alienation all admit, but as to the remedy for it there is a wide difference of opinion. It is generally agreed that harmony between companies is desirable and important for the success of all, for it is universally admitted that all have a common interest and that whatever works to the injury of any must be detrimental to all. Hence the efforts which are constantly being made by some to secure harmony by injuring others and thus forcing them into agreements which, however desirable, can never be effective if obtained by force. Many agents, too, stand arbitrarily in the way of harmonious relations by

SEEKING TO OBTAIN UNFAIR ADVANTAGE

over their competitors. How, you need not be told. Underbidding, rebating, violating agreements as to rates, either openly or more often secretly, are too well known to need more than the merest reference. This may seem to be a digression, but these things have a bearing of no slight importance upon the subject immediately in hand, as they stand in the way of that intimate, almost family, relation which agents should sustain to the companies they represent. To bring about such a relation there are faults on both sides which must be corrected. Companies must learn to regard their agents as their representatives, not merely in name but in fact, and treat them with the respect and consideration due their position. In theory they are appointed because they have qualities which entitle them to trust and confidence. They are commissioned to act in the companies' stead in the territory for which they are appointed, and they have a rightful claim for protection in that territory from intrusion not only by the company itself, but by any other of its representatives. They are entitled to have a reason given them for any instructions which the agents may deem harsh or improper. In too many cases, it is to be feared, they are regarded only as tools to get business, and fail to receive that courteous consideration which men acting as representatives in other lines of business expect and demand. On the other hand,

TOO MANY AGENTS LOOK ONLY TO THE COMMISSION

which the business brings them, feeling that their duty is done when a premium is placed upon the books of the company, and chafing under any restrictions which may be laid upon them reducing their commission income. With such agents the character of the risk is of little consequence if it will pass muster at the stamping office. Happily the number of agents of this class is less than we might expect under the system so largely prevailing, and while ideal agents are not found everywhere, a large and increasing proportion of them do regard themselves as agents, and not brokers, and consider it their duty to look after the interest of the companies they represent as if it were their own. Such agents do not forget that their principals, who furnish the capital and are responsible to the public as well as to their stockholders, have a right to give instructions which should be implicitly obeyed. When companies and agents put themselves in such relations with each other there will be no necessity nor place for arbitrary rules, for each will strive for the common good, and be open to any suggestions which may contribute to that end. That stage has not been reached, and it may be long before it is universally understood that both parties have in reality only a common interest, and that whatever injures the one must in the long run do harm to the other; let us hope, however, that there is a better time coming.

And now a little more in detail—what can we do to hasten its coming? In the first place, let us put

MORE FAITH IN EACH OTHER.

It is safe to assume that most men desire to do what is right, and that more errors are the result of ignorance or mistake than willful wrongdoing. There are enough of these to call for the exercise of much patience and forbearance. We must not forget that things look differently from opposite points of view, and before quarreling (like the two knights of old over the gold and silver shield) we should put ourselves in the other's place and endeavor to see just how the matter appears on the other side, and whether there is not some just ground for a view opposite to our own. If a company endeavors to see the situation from an agent's standpoint it may find reason to change its views, or, if not, it may learn how to present them in such a way that their reasonableness may be made clear to the agent, and so all danger of misunderstanding be averted. More flies are caught with molasses than with vinegar.

As I am addressing an association of agents a special reference to some errors which they are liable to make, and indeed have made in this direction, I hope will not be considered out of place. This national association has made fewer mistakes in this way than smaller and local bodies have done, and yet it is not altogether free from fault. Attempts have been made

TO COERCE THE COMPANIES

by united action to do things which, though perhaps desirable in themselves, are not likely to be secured in this way, and if they were the result would be unlikely to prove permanent. Writing over the head of an agent is an admitted evil, and the company guilty of it does a wrong to its agent, but it is not wise nor becoming for a body of agents to resolve that they will not represent a company which even in a single instance writes directly a risk in an agent's field, and this possibly under circumstances which if fully known would be admitted as a full justification. Especially is this true when the same agents are only too ready to trespass on the field of another agent on the slightest pretext, and often take serious offense if their companies will not permit them to do so.

Again, almost all, both companies and agents, are ready to agree that the multiplicity of agents is detrimental to every interest, and if an agent feels that he cannot continue to represent a company which interferes with his rights by appointing another agent in his field he is fully justified in withdrawing from its service; but it is quite another thing for a local board to resolve that no company taking such action shall be represented by a member of the board. Such action is not merely ill-advised and impertinent, but can only be futile, as no self-respecting company will submit to such dictation. Time will prove the most effective remedy for this evil, as no company can long continue to practice it to any great extent without injury to itself.

Still more reprehensible and less without excuse is the effort which has in some instances been made by legislation to force the companies to reduce the number of agents in a given State by the imposition of a license tax which will not permit the appointment of agents in any except the larger and more important towns, in order to secure a monopoly of the business for agents in those towns. Surely a more selfish move on the part of a few agents to benefit themselves at the expense not only of the companies but of their brethren in smaller places can hardly be imagined. Again, the position taken by some agents and some local boards

IN REGARD TO BROKERS

is unwise and untenable. For any agent, or a body of agents, to say that under no circumstances will they pay a brokerage, no matter how desirable a risk may be nor how much their company may wish to write it, is simply to play the "dog in the manger." If anything would provoke a company to overhead writing such a course will surely do it.

This association at its last annual meeting put itself in a position which would appear to be fair for all concerned, viz., that outside brokers should not be recognized in connection with property locally owned, but that agents should write on property of non-residents for a broker if desired, allowing half commission as brokerage. In these days of consolidations and trusts large properties are owned and controlled at points remote from their location, and naturally their owners prefer to do their insurance through some party with whom they are acquainted, leaving him to distribute it among the various companies and agents. This condition must be recognized.

A NEW PROPOSITION

has lately been advanced which finds a few advocates, viz: That agents in their associated capacity shall regulate the companies throughout the country, requiring them to observe tariff rates everywhere as a condition of doing business anywhere. It would seem that the mere statement of this proposal carries its refutation with it. To say that because a company cuts rates in Philadelphia it shall be boycotted by agents in San Francisco appears too absurd to be seriously proposed. Even if it were right and proper that agents under any circumstances should dictate to their principals, the suggestion reminds one strongly of "The Three Tailors of Tooley Street."

Your association has incurred no little criticism for attempting to secure legislation in the interest of local agents, or what

they conceive to be their interest, and the criticism cannot be said to be unmerited. Agents can accomplish much in the way of procuring or promoting legislation, but their power can only be wisely exercised in concurrence with the companies. One-sided legislation is damaging to all concerned, and laws made in haste are very likely to be repented of at leisure. Many local boards have inserted among their articles a provision that

THE BUSINESS BELONGS TO THE AGENT,

and that in case of a change of agency his successor shall not in any case interfere with it. This is a false position, and a moment's reflection is all that is needed to show that companies can never accede to it. If it were correct no agent could compete with another and a risk once placed on an agent's books would remain there forever, and would give force and effect to anti-trust laws as prohibiting open competition. The fact is, that fire insurance is free for all and that neither company nor agent has a claim upon it after the expiration of an existing contract. An attempt to enforce this article in the event of a change of agency by a company of any considerable strength would inevitably result in the disruption of the board.

RATES OF FIRE INSURANCE—HOW SHALL THEY BE MADE,

and by whom?—these are to-day burning questions among underwriters. Shall the companies agree upon rates and promulgate them from a central point for the whole country, or shall several such centres be selected from which rates shall emanate for the surrounding section, or shall a rater be selected for one or more States to whom all power of making rates shall be delegated, or shall agents in local boards be the sole rating authority? None of these plans is entirely satisfactory either in theory or practice. Rates promulgated from one or more centres must be made without that definite and intimate knowledge of the localities where they apply, which is needful for perfect adaptation, no matter how expert those may be who prepare the rates. The professional rater may be skillful in all the technic of rating, but there is a rigidity in his rates which does not tend to their universal adaptability.

But perhaps a more serious objection to both these methods is that rates are made without consultation with the agents, and, as they do not know on what they are based and have no opportunity to judge of their fitness, they are naturally not very enthusiastic in their support, and are only too ready to ask for relief on the slightest pretext. And many raters are equally ready to grant such relief especially if sought by an agent in whom they feel some special interest. Such relief when granted not only works injustice to some other agent, but demoralizes the whole system of rates in the place where it is applied. It is better for an agent or a company to lose a risk now and then, no matter how desirable it may be, than to break up the ratings and expose the rater to the charge of favoritism, which, whether just or unjust, is sure to be made.

Perhaps no scheme for rating can now be adopted which will prove lasting. Schedule rating in some form must be the basis, but it should not enter into too minute details. And no schedule which the ingenuity of man can devise will work automatically or without modification in individual cases. Companies and agents should act together in making rates. Using rules and schedules prepared by the companies, agents should make the rates applicable to the individual risks in their territory under the supervision of the special agents of the companies. In this way rates would be made with a reasonable degree of intelligence, would be varied according to the character of risks as shown by personal knowledge, and agents would feel the responsibility of observing rates in the making of which they had shared, and there would be no occasion for any relief system.

In all this there is nothing new; but sometimes an old idea makes a new impression when it is uttered by a voice heretofore unheard, and the matters briefly touched upon are of such importance to the interests of companies and agents alike that they cannot be too often considered.

As a body the fire insurance agents of the country are not excelled by the representatives of any other business either in intelligence or integrity, and if they can be brought into closer touch with the companies which they represent there is no success in underwriting which they cannot achieve. Your association aims to bring agents into closer touch with each other, and it only remains for you to aid the endeavor for a more intimate union with the companies you represent. Your interests and theirs are one, your success is their success, and the failure of either is the failure of both.

In the last few minutes we have considered several points of interest, but all may be embodied in one simple rule, applicable not only to insurance but to business of every kind, a rule many times difficult to observe, but always practicable; a rule which will solve many problems, do away with lengthy correspondence and much resultant hard feeling, viz:

"Do unto others as you would that others should do unto you."

Mr. Washburn's good natured but forceful criticisms excited laughter and applause, and he received a rising vote of thanks. A number of agents came forward and shook hands with him.

The president, referring to Mr. Washburn's remarks, said that it was easy to say complimentary things at a meeting of this kind, but that out of contending ideas wisdom comes.

The call of States was then resumed.

Michigan.—Mr. Holden, of Grand Rapids, responded and said that the general condition in the State was the best in years. The membership of the State association had increased one-third over one year ago.

Minnesota.—Mr. Knauft, of St. Paul, in a witty speech, said that nothing had so demoralized Minnesota agents as the separation rule of the Western Union. Formerly where there was one agent in a certain town now there are twenty-six. In St. Paul bartenders and grocers sell policies as well as other goods. Trouble would exist as long as companies made promiscuous appointments like these.

Missouri.—Mr. Buckingham, of St. Joseph, said that the local association had done great good in the business.

Nebraska.—Captain Palmer, of Omaha, reported interesting details regarding the passage of the valued policy law by the Legislature. The boodlers wanted $5,000 to kill the bill but did not get it, and so the bill passed. The anti-trust law was very stringent. The question of its constitutionality is now in the United States Supreme Court, and an early and favorable decision is expected. Omaha has fifty-eight agents and one company is represented by seventeen. The solution of the difficulties in Omaha is with the companies.

Alabama.—Mr. Smith, of Birmingham, reported an increase of 50 per cent. in association membership the past year. There is a large number of small agents and some trouble from brokers. Trusts had taken $3,500,000 away from the local agents. He cited a case of a loss of $167,000 which showed $50,000 written by companies over their agents' heads. The marine companies were practically writing all the cotton business. An anti-trust bill passed the Alabama House at the late session, but by the exertions of the State Association it was beaten in the Senate. The Constitutional Convention has been in session three months and has adjourned without perpetrating anything detrimental to the insurance interests. The insurance men on the ground understood the situation best and should be allowed to handle it. Locally, all dual agencies were being weeded out and no new ones placed.

On motion the president appointed a committee on the nomination of officers for the ensuing year.

At the afternoon session the call of States was resumed.

Connecticut.—Mr. Herz, of Bridgeport, spoke of the good legislative work done in the adoption of the State fire marshal law.

Indiana.—Mr. Duke, of Kokomo, reported increasing membership and excellent results in the Legislature.

Maryland.—Mr. Anderson, of Baltimore, said that that city was controlled by the agents, while the rest of the State is in charge of the Middle Department. There is not a representative agent in the State who is not a member of the association, and in three months more he believed that every agent in the State will be in the membership. The fire marshal law was working well and an objectionable license bill in the Legislature had been killed by the agents.

New Hampshire.—Mr. Barrett said that the valued policy law

of that State applied only on buildings, and was limited practically to farm property. A rate war has been averted only by the strong agencies, sustained by the attitude of the large out-of-State companies. A proposition was now before the rating committee of the State Association to reduce rates 50 per cent. Rates in the State were generally low.

New York.—Mr. Rhodes believed that association of agents was the best thing that had happened for the business in his State. There had been 36 per cent. increase in membership in the past year. A powerful organization always ready produced a great moral effect.

Ohio.—Mr. A. C. Ross, manager of the Ohio Association, reported a membership of 2,500 agents, and described the method of organization. The association was in a very healthy condition. The single agency idea was growing. The State fire marshal law was working well.

Pennsylvania.—Mr. Flickinger, of Erie, reported a membership increase of 40 per cent. during the year. Agents own their business; dual agencies are being rapidly closed. The McKane County board had a good rule which provided that to become a member the applicant must join the State Association.

South Carolina.—Mr. Cosgrove, of Charleston, reported that the agents had done much to influence good legislation.

The president here said that he would introduce a proved friend of the agents.

ADDRESS OF CYRUS WOODBURY.

Mr. Cyrus Woodbury, of Columbus, Ohio, special agent of the Queen insurance company, was introduced to the convention and made the following address:

Mr. President and Gentlemen of the National Association of Local Fire Insurance Agents—The interests of all those engaged in the fire insurance business are mutual, no difference what the position be that they occupy. The stockholder whose money is invested in the capital of a fire insurance company cannot hope for profit on his investments unless the company is officered by men who have a thorough knowledge of the business of fire underwriting and a financial ability that will enable them to make good investments of the funds of the company. In fact, they must be men of the highest reputation, not only as underwriters and financiers, but for honesty and uprightness, men against whose character no charge of wrongdoing could be made. To place the company before the business world so that it may secure business that will bring the profit that is expected by those who have their money invested in the institution, and make the company a success and of such financial strength that it shall have the confidence of the insuring public and add increased respect for the ability of those in charge, is the highest ambition of the officers of a company, and to do this they must have their efforts seconded by a corps of well-trained field men, who have been selected because of special fitness in training and knowledge of local conditions in various parts of the territory where the company expects to do business, but with this official organization and well equipped field force no success can be had without the aid and influential support of him who has become the greatest factor in the fire insurance business—the local agent.

The local agency system, as we find it to-day, is purely an American institution, a system that has become absolutely a necessity to the maintenance of the business. The old time local agent that we so often hear about, that represented a company in the good old days, when he was authorized to take applications for insurance from those desiring indemnity and forwarded same to the home office, where the contract was written and returned him for delivery and collection of premium, has long passed away, and we have in his stead the present day local agent, who has been the result of the necessities of the business, for in this country, with its mighty industrial institutions and vast business enterprises, rapid transit and quick system of communication, it became necessary that fire insurance companies should keep pace with the march of progress in this the greatest commercial and industrial nation on the globe, and thus has been established the present agency system, which to-day is composed of a vast army of men devoting their time and best efforts to the building up of a business that shall bring a competency to themselves, establishing an income for their companies that will enable them to pay losses to the unfortunate and a profit to those who have their money invested in them. In this great army of local agents are represented men of all classes, trades and professions, men of the highest social standing and some of the best and brightest minds in the business world, and all representative men in the localities where they live, if successful, and it is well that they should be such, for no class of business men in this country is entrusted with such great responsibilities. They are making thousands of contracts every day, involving millions of dollars that furnish protection to those who have their fortunes invested in the commercial and manufacturing industries of this land, and at the same time preserving to those who labor the means of a livelihood. They furnish the contracts of indemnity that secure credit to the business world, that backs every enterprise that goes to make up the beautiful thriving cities, towns and hamlets of this country, that will soon stand at the head of the nations commercially.

PLACE OF THE LOCAL AGENT IN THE BUSINESS WORLD.

Is the local agent then an important and influential factor in the business world? We certainly think he is. Is his business an honorable one, one that should command the respect of all trades and professions? We certainly think it is. Does he then represent a class of men who have failed in all other branches of business and have engaged in the fire insurance business only as a means of getting a livelihood, a business not worthy to be called a profession? In the light of his present position before the business world we can hardly think such to be the case, for by the organization of the National Association of Local Fire Insurance Agents you have demonstrated to me as well as to all others that you have fully realized the importance of your position in the business world, and through the strength of this organization placed it where it belongs—foremost among the business professions of this country, and thus the charge that the business is a refuge for indigent relatives, business failures, a fitting side issue to real estate or banking business, can no longer be made, but it will stand as one of the honorable professions of the present day, one into which it shall be an honor and a credit to enter, with a sure reward of creating for yourselves an honorable position in the community where you live.

Organization and co-operation of all the interests in the fire insurance business are to my mind absolutely necessary if the business is to be maintained and the existence of the companies perpetuated. I know that in many States the legislatures have declared the companies to be outlaws, and managers and field men to be criminals for attempting to organize for the betterment of the condition of underwriting and the preservation of the companies, yet the time is fast coming when the public will fully realize their mistakes; it may not be until many more companies retire from the field and the insuring public be called upon to pay very much higher rates; then they will inquire the cause and discover what the insurance world has been saying in this regard is true, that they cannot continue to drive capital out of the business by unfair legislation and at the same time expect a reduction in the cost of their protection. It is my certain belief that if all insurance people were permitted to maintain organizations the cost of insurance would be reduced 25 per cent. in ten years, and the great fire waste that is a continual drain on the wealth of this nation lessened.

TRUST LINES FOR FOREIGN BROKERS.

You, my friends, have not been subject to such restrictions by our legislatures and are permitted to maintain this great organization, one among the greatest organized in the interest of fire insurance business, and through it you have already been able to eradicate a number of the evils that have threatened your business, one that became very prominent—overhead writing—but there is another growing evil that to my mind threatens the local agency system, and if it is allowed to grow and receive aid from local agents, as I am sorry to say that in some instances it has, it will work great injury to your business. I refer to the writing of large industrial lines, commonly called "trust" lines, for foreign brokers for a very small division of the commission. If this practice is correct, the local agency system is wrong, and the company or local agent that gives aid to such a practice so declares.

The practice is not correct and should be severely condemned by this organization. I am aware that when a large line is offered to an agent which has required no thought or effort on

his part to secure, it is a great temptation, and I am perfectly familiar with the arguments used by those who believe in and support the practice, but be not deceived; if the evil, for an evil it is, is permitted to grow, you will soon see other business, which belongs to you by right of its location, going in the same direction, to fill the coffers of those who have no other interest in the business than the satisfying of an individual ambition. There are many other evils that have grown up in the present local agency system that I might enumerate, but time will not permit. They are well known to you, and will receive your attention. Seek and secure co-operation of all those interested in the business in any capacity, whether manager, special agent or local agent, and all of those who oppose organization and co-operation are enemies not only of all insurance interests but the public interest as well.

The local agent who feels that it is his duty to act alone, that he may engage in practices that are harmful to his brethren in the profession, is not entitled to their honor or respect. The special agent who declines to co-operate in good practices, that he may gain some advantage over his colleagues, should be let severely alone, for his intentions are not for the betterment of conditions or improvement of the business, and the company who for some fancied wrong refuses to co-operate with other companies and seeks to destroy the business of other agents, as well as their own, creating a demoralization that spreads until whole sections of the country are affected by it, should receive the severe censure of this organization.

THE DUTY OF CO-OPERATION.

Let me be clearly understood on this question. Local agents, in the fierce competition for business, may have differences and not feel the kindest at times toward one another, yet this does not justify the refusal to co-operate for the protection of the business; special agents may have, and rightfully, too, different views as to the management of the business in their special field, yet this does not warrant acts that will not bear the closest scrutiny. Management of companies may not have the same ideas as to the principles of underwriting, for it is not within the scope of human minds to agree upon all the methods by which certain results can be obtained, yet this is no reason why they should seek to destroy that which you have for years been building up for the purpose of producing an income for them as well as a livelihood for yourselves. There has been no graver mistake made than that made by those who are interested in fire underwriting who oppose organization and co-operation, and it should be our duty to convince them of this mistake, for any effort put forth by any organization for the benefit of the business will not alone help those who are members of such organization, but will benefit all who may be engaged in the business in any capacity, so your organization will not alone bring beneficial results to yourselves but to the companies and field men as well. This being true, I believe it should be one of the cardinal principles of local agents' associations everywhere to secure the co-operation of all those who in any manner are connected with fire insurance companies.

The present conditions of fire underwriting in the United States are not promising so far as profits to stockholders are concerned, and as all of us are interested in the question of whether the stockholder keeps his money in the business, if we would have capital to represent, it becomes necessary that we should work together with a common end in view, and that is producing a profit for the stockholders.

It may be that there are times when the management of companies seem to interfere with the privileges of the local agent and ought to be regulated by some legislation, but remember that the management is directly responsible to those who have their money invested in the capital of fire insurance companies and they should be permitted to apply the principles of underwriting without hindrance from those who are dependent upon the existence of the companies for their income, as it has become almost impossible to make any money from underwriting with the hindrances that have been created by the various legislatures; in fact, in many of the States they have made it impossible to apply the economic principles that are absolutely necessary to the success of the companies and the business has become one of mere chance, rather than a science, so you can understand how any legislation upon your part that would in any manner abridge the legitimate rights of capital invested in the business would assist to drive it out rather than encourage it to stay. In my opinion this is the question that most certainly concerns the future of this association. With this in view, let all your legislation be guarded by good judgment and wisdom on the part of those in authority, then will the future of this organization be assured and the members receive the great benefits from it that are expected and the business placed in its legitimate position before the insuring public, and all interests involved in the business be benefited thereby. Remember that all our interests are concerned alike in the success of the companies. We should therefore induce capital to remain in the business, otherwise we shall see demoralization continue until the very foundations of the profession are threatened, if not destroyed, a condition that none of us would welcome at the present time. Then let all questions of differences that may arise, that affect any of the interests involved, be a matter of careful consideration by all, and by using that greatest of all elements in the business, good common sense, all differences can easily be adjusted, and this association go down in history as the greatest organized in the interest of the fire insurance business. As it must now be apparent to all of those whom I am addressing that our interests in the business are mutual and all acts by an organization that bring beneficial results will be enjoyed by all, it might be well to give consideration to the

RELATIVE POSITIONS

occupied by those engaged in the business and I will name them in the order in which I believe they should be considered. First, the management of companies, as they are the ones who are, as I have already said, directly responsible for the results of the business and the ones to whom stockholders look for the profits on their investment and the future success of the company. Secondly, the special agent, who is the confidential representative of the management and who is their chief aid and dependent for the success of the company in the territory allotted to him, and thirdly, the local agent, who as the local representative produces the income from which the management and the field men expect to get the results that will show a profit to the stockholders and assure a future for the company. Though this be the relative position of all the active interests in the business, it does not give to either interest the right of interference with the privileges of the other in their chosen fields of operation, so long as that privilege is used for the improvement of the conditions and the advancement of their legitimate interests. We cannot do without each other. Our interests are mutual, our purposes, therefore, should be the same—the betterment of all the conditions that concern us.

We have discussed this question as it concerns ourselves; let us for a moment now consider our position as it concerns the public with whom we have to deal. It has been generally agreed that the public have been kept too much in ignorance of the conditions of the insurance business, and by reason of this lack of information the business has been subject to much adverse legislation and criticism. Let us then make use of the material at hand, and there is plenty of it, to bring the public to a better understanding of the business of fire underwriting, and in this matter of education the local agents can do more than any other class of men, for the reason that they come directly in contact with the public in all their transactions and know more of the general feeling of the public upon the subject than anyone else. You, my friends, stand in a position between the public and the companies. You cannot altogether oppose the public for business reasons, neither can you take positions against the companies, for you must have capital.

EDUCATING THE PUBLIC.

Let your position then be one in which you can support your companies and at the same time deal fairly with the insuring public. In two States a plan of education of the public upon the principles of underwriting has been inaugurated. It is a long step in the right direction and directly concerns all of us who are engaged in the business. There is no business in the country that has been as freely criticised by the general public as fire insurance and one which they know less about, and this to my mind is largely due to our manner of dealing with the public, for in the past there did not seem to be any basis upon which the cost of insurance was fixed, and the public were naturally led to believe that the fixing of cost of insurance was a mere matter of guesswork, and as long as they thought that was the case they would certainly feel that they were entitled to a guess. Of course we understand that the continual changes that are going on the business world that affect the hazards of every risk necessarily affect the cost of indemnity, but with the adoption of scheduled rating we are put in position of explaining ourselves to the public and making plain to them the cause of so many changes in their rates. It is true there have been companies that through their management attempted to convince the public that any rate was a correct rate and that adhering to good practices

in underwriting was a mere fad of those who were seeking to oppress them, but they have all gone to their reward and are forgotten. There have been local agents who have thought it profitable to represent that class of companies and have given encouragement to the practices indulged in by them, and their reward has been the ruin of their business and the loss of public faith, and this is as it should be, for no manager of a company or local agent is entitled to any consideration who has deliberately engaged in practices that were misleading to the public and demoralizing to legitimate underwriting. Misunderstandings upon the part of the public of our purposes and demoralization by disreputable underwriters we may always expect. No reforms will remove all the evil from the business, but it will greatly improve it. Let us then give every movement that is organized in the interest of fire insurance business our earnest support, as the same will bring beneficial results to all our mutual interests.

In this age of wonderful industrial progress and vast increase of individual and national wealth, a time when the art of money making seems to have reached the highest point, it is well that we should give careful consideration to those things that concern the future of our business, for all of us surrounded by present conditions and environments may be easily influenced to adopt measures and plans that will bring ruin and disaster rather than continued prosperity. Let all our acts be guarded by wisdom, all our efforts bent in the direction of the improvement of our business, not as it concerns ourselves individually, but as a whole, then will our reward be permanent good to all our mutual interests.

Mr. Woodbury's address was well received and a rising vote of thanks was given him.

The State of Virginia was represented by Mr. Childrey, of Norfolk, who reported that there was no overhead writing in the State except at Richmond, no dual agencies and little trouble from brokers.

Tuesday evening was devoted to attendance on a vaudeville smoker and band concert given by the Cleveland Association, which was very enjoyable.

WEDNESDAY'S PROCEEDINGS.

At the beginning of to-day's proceedings Mr. Woodworth read letters of regret from Mr. Nieley, of the New England Insurance Exchange, and Mr. Stockdell, of the South Eastern Tariff Association.

Mr. Woodberry extended the greetings of the Fire Underwriters' Association of the Northwest to this association in fitting language.

The roll call of States was then resumed as follows:

Tennessee.—Mr. Folsom, of Chattanooga, said that the agents were greatly interested in the association, and the board was in good condition.

Texas.—Mr. Normend, of Paris, reported over 50 per cent. increase in membership in the last three months. Only the best agents were wanted in Texas. He mentioned that there were sixty women agents in small towns.

Utah.—Mr. Wilson, of Salt Lake City, said that that city and Ogden were the only two places in the State with regular agents. They had killed a valued policy law, and passed a resident agents' law.

Much feeling had been excited in the convention by Mr. Washburn's critical address the day before, and it took form among those most dissatisfied with it in a resolution by Mr. Barrett, of Kentucky, to the effect that it was the opinion of the National Association that the business put on the company's books by an agent belonged to the agent, notwithstanding Mr. Washburn's contention.

There was much applause when the resolution was read, and but for the cooler heads in the convention it would have passed. Mr. Woodworth came to the front and made a vigorous speech, which, while it admitted a general feeling of disapproval, counselled calm, conservative action by the association. Such a deliberative body of honest men should not make the first mistake of the association. It should stand for principles, for the rights of managers and agents and all interested.

Mr. Woodworth's advice prevailed. Mr. Barrett, rising, said that he thought the purpose of the resolution had been accomplished by its publicity, and therefore consented to its defeat. This episode was followed by vociferous cheering for both Messrs. Woodworth and Barrett.

The roll call of States was again resumed.

Washington.—Mr. Jones, of Spokane, said that the anti-compact law of his State was gotten around by the Washington Insurance Association, which sells rates to companies based on premiums. In his State they have a valued policy law, a resident agents' law and a fire marshal law, but there was no appropriation to enforce the latter. Mr. Jones said that he was glad that the Barrett resolution was voted down, as it was ill advised, and they could not afford antagonism between companies and agents unless incidentally.

West Virginia.—Mr. Hortheimer, of Wheeling, reported that the resident agents' law worked well, but they had in that State agents and solicitors to burn. The better class of agents, however, were getting an honest living.

Wisconsin.—Mr. J. N. Mason said that the State had been represented at every national meeting. There had been 40 per cent. increase in membership during the past year.

Here Mr. Robinson, of Louisville, put in a suggestion for an international meeting of insurance men at St. Louis in 1903, the exposition year.

LOUISVILLE THE NEXT PLACE OF MEETING.

A vote was taken upon the proposition to select Louisville for the place of the annual meeting next year and it was unanimously favorable. The time of meeting was left to the Executive Committee.

A discussion followed upon the proposition that the National Association publish a bulletin. Mr. Ross, manager of the Ohio association, opposed it and thought exertion should be concentrated on personal work.

Mr. Woodworth said that we did not desire to encroach upon the insurance press, which had made us what we are, but he advocated the bulletin as a necessary feature of the association's movement.

REPORT ON RESOLUTIONS.

The Committee on Resolutions and Recommendations reported a series of resolutions for consideration. The following is a synopsis:

1. Faith in the usefulness of the association is reaffirmed and confidence expressed in its continued success upon the conservative and reasonable lines which it has heretofore endeavored to follow.

2. Great satisfaction is expressed in the wisdom exhibited by the several State associations in administering their affairs since the last annual meeting, and we point with pride to the intelligent and successful efforts put forth by many associations to prevent legislation hostile to companies and agents. In this connection we again urge upon the associations the necessity of careful, deliberate action, and remind them that the National Association absolutely depends upon their wisdom and fidelity for the future successes which we are confident it is possible to achieve.

3. We most heartily recommend the action of officers and committees of the association during the past year and pledge to them our faithful and constant support.

4. We recommend the adoption of the new constitution and by-laws reported by the Executive Committee.

5. Whereas, There is an increasing demand for bulletins keeping in touch with the work of the National and State associations, therefore resolved that the president, the secretary and the chairman of the Executive Committee be authorized to issue bulletins at their discretion.

6. Resolved, That a company which makes a practice of wilfully cutting rates in certain parts of the country while accepting benefits and assistance from rating companies and local boards,

is operating against the American agency system. We therefore instruct the Executive Committee to devise and put in operation a plan whereby all the members of the association may be fully informed as to the action of such companies.

7. Whereas, The efforts of the Association, cordially assisted by the companies, have practically ended overhead writing by companies in territories of agents, and whereas, the association is sometimes brought into disrepute by agents who request permission to write in the territory of other agents, therefore be it resolved that this association condemns overhead writing by agents no less than it does overhead writing by companies, and urges all its members to assist in defeating and exposing the efforts of such invading agents, and urges companies to decline to permit one agent to write in another's territory.

8. Whereas, This association in four conventions has affirmed its conviction that the appointment of multiple agents has degraded the agency system and increased the expense of conducting the fire insurance business, and whereas, many individual agents and local organizations have taken up the evil directly with the companies, with the result that the number of sole agents throughout the country has considerably increased; therefore, resolved that the association expresses its thanks to all companies which have always practiced sole agency representation, and its hope that others which have not will defer to the wishes of agents now desirous of operating on a sole agency basis.

9. Resolved, That the association requests a conference of all companies to discuss the reduction of agencies to one in each territory, and to devise means to complete this salutary reform; the officers of this association and the executive and legislative committees being hereby constituted delegates to the proposed conference.

10. Resolved, That the association reaffirms the declarations of former conventions in favor of equalizing rates, the publication of schedules based upon reliable classifications and underwriting experience.

11. Resolved, That the association recommends the assistance of local agents in the administration of the rating machinery so that local knowledge of conditions may be utilized and local agents informed of just reasons for rates, and thereby made resolute in defending them to the assured.

12. Resolved, That the National Association calls upon the local agent who cares for his business to aid in the organization of associations. If he is already a member of a good association, let him strengthen and improve it; if the State association is not vigorous, let him help to reorganize and vitalize it; if the State has no association, let him help to form a powerful agents' organization.

The resolutions were adopted by the association.

Resolutions acknowledging the many courtesies received at the hands of the press, and particularly the insurance press, and from their friends in Cleveland who have striven so earnestly to provide for their comforts and entertainment were adopted.

The Nomination Committee reported for the re-election of officers for the ensuing year of all the old officers, including President Markham, but excepting F. H. Wagner, fourth vice-president, who should be succeeded by A. M. Wiel, of Indiana. C. H. Woodworth was recommended as successor to C. P. Whitney as chairman of the Executive Committee, and Emmett Rhodes, of Auburn, N. Y., as successor of Myer Cohen as chairman of the Legislation Committee.

The recommendations of the committee were unanimously adopted with cheers. Mr. Green, of the Registration Committee, reported the total number of delegates present as 287, Ohio being represented by 106.

During the meeting of the National Association at this place the American Fire insurance company of Philadelphia and the German insurance company of Freeport, Ill., held receptions for their visiting guests.

The association adjourned sine die at 12:30 o'clock p. m. Wednesday.

The following was the most important change in the constitution adopted by the association:

LEGISLATIVE COMMITTEE.—To this committee shall also be referred all proposed legislation affecting the objects of this association in the various States, and no proposed legislation shall receive the official effort of any State association until the same shall have been approved by a majority vote of this committee. All matters referred to this committee shall have prompt attention and official opinion thereon shall be reported to the State association interested within a period of fifteen days from receipt thereof.

NATIONAL ASSOCIATION OF LIFE UNDERWRITERS.

Twelfth Annual Convention.

(Special Report.)

The twelfth annual meeting of the National Association of Life Underwriters was, by the courtesy of the Mayor of Portland, Me., held in the City Hall of that city on Wednesday, Thursday and Friday.

The meeting was called to order at 10:15 o'clock a. m. Wednesday by President Register, who in opening made short and very feeling remarks touching the sad calamity that had befallen the President of the United States.

Prayer was then offered by the Rev. John C. Perkins, of the First Parish Unitarian Church, all members standing.

THE ASSAULT ON PRESIDENT McKINLEY.

Mr. Max Cohen, of Washington, then offered the following privileged resolutions:

Resolved, That the National Association of Life Underwriters, at its twelfth annual convention, this day assembled in the city of Portland, State of Maine, fervently appeal to the Divine Creator to grant to this nation the boon and great joy of the convalescence of our beloved Chief Executive from the dangerous wounds inflicted upon him at the hands of a dastardly assassin.

Resolved, That our hearts go out to the bedside of our wounded President, who has taught us all to feel that in him the nation possesses a safe pilot, and its citizens a faithful and kind friend; also to assure him that his fine courage, and the fortitude displayed by his faithful wife, have further enhanced the sympathies and hopes of every fair minded thinking man and woman in our broad domain for his speedy recovery.

Resolved, That we recommend that our national lawmakers enact a Federal law declaring any assault or attempt on the life of a Chief Executive, wherever committed, as treason and a crime against the United States, triable in the Federal courts, and punishable by death, and such law to also contain provisions for trial in the Federal courts of any party or parties engaged in the agitation or practice of anarchical methods or its doctrines, and who, upon conviction, may be declared guilty of an offense or crime against the United States, punishable either by imprisonment or by expulsion from the United States.

Resolved, That we further recommend that some time after the assured recovery of our Chief Executive from his wounds there be designated a day of thanksgiving, to be observed by outpouring of prayer, contributions to the poor, hospitals, orphan homes or other praiseworthy institutions or objects of charity, so as to all the more practically voice the gratitude of our nation for the renewed lease of life which it has pleased the Ruler of the Universe to grant to our beloved President.

The resolutions were unanimously adopted by a rising vote, after being seconded by Mr. Cochrane, of New York, and by very feeling remarks by Mr. Golding, of New York, who was a comrade of President McKinley in the Civil War.

His Honor Col. F. E. Boothby, Mayor of the city of Portland, was then introduced and welcomed the association to the State of Maine and the city of Portland. His remarks were replete with statistical information of Portland and humorous references to life insurance agents.

At the close of the Mayor's welcome Mr. George M. Barney, president of the Maine Life Underwriters Association, extended the welcome of his association to the visiting members of the other life associations.

Roll call was then made by Secretary Mason, and ninety delegates, representing twenty-five of the thirty-two associations of the National Association, responded.

ADDRESS OF PRESIDENT REGISTER.

The president then addressed the association as follows:

MEMBERS OF THE NATIONAL ASSOCIATION OF LIFE UNDERWRITERS—I congratulate you on our pleasant privilege of coming together for the twelfth time. Welcome, guests and members, upon an

occasion where even rivals in a common cause may commune with one another, without fear that any risk will be taken in our policy of good fellowship that will not have indorsed upon it the unrestricted right to draw out all those noble qualities which our high vocation has implanted within each happy heart, and which beams in the earnest faces before me.

But our meeting is saddened because, as we turn the leaves of life, we suddenly pass from the beginning to the close of a chapter. We must record the death of two former presidents. To those who knew Charles H. Ferguson and David S. Hendrick there was disclosed the character of men who, though human in their feelings and failings like ourselves, were yet overflowing with gentleness and goodness, which, while not obtrusive, won all hearts. It is cause for thankfulness that such lives have become conspicuous in our business. We who linger a little longer may, as the past with its trials is reviewed, look forward to the future hopefully, having their example as a helping spirit to direct us aright. In emulation of their noble efforts, let us strive for the highest achievement which the beneficent influence of our work inculcates, and which was so well illustrated in the character of our departed friends.

Every year that this body has assembled we have had the inspiring presence of or cheering messages from one who deservedly received the title of "Father of the Association," and enjoyed the exclusive distinction of honorary member. While many have labored with strength and success to build up this institution, there are none who have done, or would do, that which he has accomplished, and whose completed work stands to-day a monument to the memory of the wise and gifted Chauncey M. Ransom. His passing from our midst, like the fall of a tall and beautiful tree on the highland, has sadly changed the landscape, and while our hearts go out in sympathy because of his long illness, we shall honor him most by taking up with greater determination the task which he has laid down, the placing of the National Association upon even a firmer basis.

The good seed sown has brought forth fruit throughout the country, and even abroad, for there now exists an underwriters' association in Germany, due to the influence of Mr. Bernhard Goldsmith, a delegate last year at Saratoga from Chicago, and now the representative of the New York Life insurance company in Germany. I had the pleasure of expressing the greetings of the National Association to our new ally, which is officially known as "Bund der Versicherungs Vertritter."

One of the first acts of the present administration was the sending out of insurance journals to 500 managers in important places where no associations existed, giving a summary of the Saratoga convention, accompanied by a letter asking their co-operation in the formation of local associations in their respective fields. We believed that if the best men in the business took hold of the matter in earnest they would succeed, and even if there was difficulty in getting all the managers to unite, peradventure there were enough good men and true who would have sufficient force to overcome the obstacles. The correspondence that ensued was remarkable for its extent and character, disclosing in some instances an unexpected and earnest interest in association work, and in others that there were insurance men who had not yet discovered that we do not live in a feudal age, when competition meant antagonism.

A journal, in commenting on the work, says: "It is not easy to account for the variation of interest displayed by different associations; why some are active, while others find it difficult to pull themselves together for even an annual meeting. Location is not the cause, for associations differ in zeal. In Boston there has been a most successful organization for nearly twenty years, while there have been repeated failures in St. Louis to create more than a spasmodic desire for the association. It may be that the old animosities between agents are more difficult to overcome in some places than others, but human nature being pretty much the same everywhere, it would seem that if harmony was attainable in Boston, Chicago and Atlanta it ought, with the right kind of effort in itself, to be possible in St. Louis, Richmond and New Orleans." The editor compliments the officers of the national organization for having given unstinted time and journeying many miles to revive interest in this great work.

It is believed that the time will come when any community that has enough agents to form a life underwriters' association, yet is without one, will be considered as badly off as a community without churches and schoolhouses. Existing associations are making competition respectable, and by concerted action they should eliminate the bad element in our business, and thereby elevate not only the character of the work, but the workers. That there is hope for the future is attested by what has already been accomplished. We have the satisfaction of announcing that eleven new and reorganized associations are ready for membership, and you have an opportunity of extending a greeting to Charleston, S. C.; Burlington, Vt.; Portland, Ore.; Baltimore, Md.; Indianapolis, Ind.; Des Moines, Ia.; Louisville, Ky.; Wilmington, Del.; Harrisburg, Pa.; Dallas, Tex., and Washington, D. C. Their banners are mingled to-day with the grand army of agents in their elevating and just purpose to achieve for life insurance a management which shall be wholly irreproachable.

HELP FROM THE INSURANCE PRESS.

The vitalizing and reconstruction of these associations could not have been accomplished without the hearty and continuous aid of the insurance journals in the respective localities named. The officers of the National Association, therefore, desire to express their appreciation of the valuable help so freely and generously rendered by these journals, and for the frequent notice given to our work by the entire press throughout the country. We do not say this in any trifling spirit of flattery, for all who read the journals—as all should read them—know it is simply a fact. Supported by such able allies, whose good will and influence have penetrated every nook and corner of insurance circles, we kept in touch with the master minds engaged in the diffusion of life insurance, and were spurred on to duty like the veteran, who, when charged by the Duke of Wellington to take a difficult position, quickly replied: "I go, sir, but first give me a grip of your conquering hand." That gave strength and courage, and he did his duty nobly.

Perhaps the representation at our several annual meetings may be regarded as significant of the varying degrees of interest shown in the work. How hopefully the venture was launched in 1890, with only fourteen associations represented! And how happy to know that these same fourteen associations are all again together by the return of Maryland and Vermont! The next year showed the leaven of the good work in an increasing attendance, there being twenty-three delegations. In 1892 a further advance to thirty. In 1893 some lukewarm associations reduced the attendance to twenty-seven. In 1894 there was a rebound to thirty-six, the largest number of associations ever present, for in 1895 the half hearted brought the number down to twenty-nine. In 1896 it remained at twenty-nine. In 1897 fickle fortune kept away all but twenty-six. In 1898 there were only twenty-one, the lowest ebb tide. But as the tide goes clear out, so it again comes clear in, and 1899 brought back twenty-three, and last year twenty-six, and this year, should all associations attend, we shall reach high water mark with a membership of thirty-nine. This number should be doubled, and in order to maintain this progress the several associations need to be visited and encouraged by the officers. A splendid example has been set by my predecessors at much sacrifice of time and personal expense, which was freely offered, because coupled with the honor of office are its required duties. It was like a rare holiday to me to meet rare men and women engaged in this business, for which any of you would have traveled 9,000 miles in this country.

Those who were present will not forget the dainty breakfast given by the New England Women's Association in Boston last winter. There was no need to have "Welcome" written on the floor at the door, Roman fashion, for there is a subtle something in the air at a ladies' banquet which fills the heart with joy for the privilege of being a guest. It is hoped that the women agents in other cities will organize associations, for, as the hidden flower is disclosed by its fragrance filling the air, so the sweeter side of our business has been brought to light by the finer insight of women.

Everywhere there has been a general desire to hear about association work. In one sense, therefore, your officers are like missionaries, but with this difference: We have never been called to preach to heathen agents, though somewhere there may be those who need a new awakening. But it is believed that all will admit the value of the preaching of the gospel of peace and good will, even among enlightened agents, for there is an inspiration about the work of the underwriters' associations to those who are seeking the best methods in our business. To utilize and refine everything in the agency field that has in it the possibility of good for the worker is the mission of the association. We can never attain this high vantage ground unless there is a corresponding disposition on the part of every agent to unite and support the objects which we, as a body, design to promote.

If one is disposed to foster the idea of exclusiveness rather than of combination and fraternalism, he can be as isolated and selfish as a hermit. On the other hand, if he is generous and sympathetic, helping instead of hindering his fellow agents, he will

arouse those finer feelings that exist in the hearts of all. If we want the best results in our work, each member must bring his gift and lay it upon the altar of our high aspirations. Those who do not make this offering may render our work difficult and defer its fruition by refusing their aid, but in their opposition they are contending against the power of a just principle which shall surely gain acceptance. Perhaps it is better not to have everything at first, for when we desire great things, still greater things will come. The men who began the association movement years ago knew this, and felt that in the future the earnest workers would delve for greater results than then appeared on the surface.

The past century gave us a good start, but it did not exhaust our resources. We have learned enough to know that our business needs the help which the associations afford, and that a powerful incentive has been given for greater development in the new era upon which the world has entered. Mankind is morally better because of the elevating influence of Christianity, but there are some good men who have not helped to make it so. So the life agents' work is made easier because of the influence of the underwriters' associations, but there are some good agents who have not helped make it so, or do not know it, and who have not reached that stage of development which can dispense with the curb of law as a restraint upon lawless desires. It is no newly discovered law that there is greater profit in friendliness and in harmony than in unfair competition, and that we should have "a will so trained that when a thing is right it will require no courage to do it, and when a thing is wrong it will have no power to tempt the soul from firm resolve." All our future hopes are profoundly concerned in this effort of right doing.

Altogether, 1,500 or more letters were written. Managers who were not members were urged to join their local associations, and attention was called to the advantage of inducing worthy sub-agents—the business getters—to become members, since we have common interests, and to have a common meeting ground would bring the vast army of outside agents within the pale of association influence. If we would accomplish our high purpose in association work, it is of great importance that all the best men should be induced to join. Monthly or bi-monthly meetings, followed by an informal dinner, will go a great way toward cementing a better feeling, for it is wonderful what fraternalism is brought about by touching elbows around the table. In many associations this feature has been successfully inaugurated, and there is a charm in having the ladies present occasionally. The action of the New York Association in inviting distinguished officials to deliver a course of lectures on life insurance topics is especially commended.

Merely for the purpose of placing on record in the annals, and not to boast of doing anything extraordinary, it is proper to say that when the National Congress assembled last December, over 2,000 circulars were sent—without expense to the association—to as many managers of all companies throughout the United States, making an appeal for the abolition of the onerous revenue tax on policies. It is believed that the effect of this circulation, in conjunction with the effort of the fire underwriters, and in view of the fact that it stamped the movement with the approval of the National Association, had some share in creating a strong sentiment in favor of repeal, and that the sentiment had due weight with the senators and representatives. Now that the war tax has been repealed, we can all rejoice that life companies have received the same considerate treatment as savings banks that were not taxed.

Your attention is called to the advisability of having all the companies, as far as possible, represented on the executive committee, which includes the vice-presidents. This compliment is more especially due to the companies at this time, because of their unqualified support of the association movement, as shown in their letters, which will be printed in the report of this convention. These letters were in response to my letters to the presidents, in which they were informed of the good already accomplished in making competition respectable throughout the United States, and the necessity of having the agents of all companies become identified with their local associations, so that the whole fraternity might be benefited. The views of the companies thus elicited, it is believed, will materially assist in carrying out the purpose of the organization. Their indorsement should be sufficient for every agent of every company becoming a member, and in behalf of the National Association I hereby tender our warmest thanks and appreciation to the companies for their recognition of the value of association work.

FULL AND FREE DISCUSSION DESIRED.

We thank our friendly critics for saying that if the National Association is to be a magnet to field workers, full and free discussion from the floor must be allowed, and that we should not be afraid that a measure will be suggested or an opinion expressed which will hurt someone's feelings, for which the association is, of course, not responsible. I voice the views of the membership in saying that these annual gatherings are not merely for the purpose of having a good time, but to evoke from every man vital and helpful thoughts. No man is made only for himself and his own private affairs, but to serve, profit and benefit others. It is very good to hear a lot of pleasant platitudes about what should be, but we need action like that in closing a risk. If anybody thinks that he may be shut out, he will find the bars are down, and that we are all ready to enjoy an old-fashioned experience meeting in shouting for the glory of the agent's mission.

There are many subjects of the hour that could be profitably discussed. An army of intelligent agents carries much influence, and is quite capable of advising upon matters that concern the insurer, with whom they come in closer touch than do the officers of the companies. Perhaps the executives are only waiting to be told the secret of how to get together and agree upon principles by which this great business can be conducted without undue friction, and devise measures that will prevent any tendency to popularize systems beyond the verge of safety.

A question worth considering is whether much of the literature circulated antagonizing companies is not wasted energy. It helps the class who practice the evils that are condemned. As a rule, those who are not sufficiently informed, and haven't the ability to argue or persuade men to insure, rely upon this antagonistic literature. If, instead of vituperation, such agents were instructed how to insure lives, and not have their minds filled full of invidious comparisons, both the quality and quantity of the business would be enhanced. The agent who goes around with his pockets full of such stuff doesn't argue the merit or need of insurance, but inveighs against his rival and sells his goods over the bargain counter. Keep the fountain of the business from pollution, and then the stream will brim over with pure methods.

There is a tremendous opportunity and responsibility for the better class of agents in drawing up out of the depths the weaker ones who haven't the strength to do better. There is some hope for some of them in reformation. The worst man that ever breathed can be reformed, but it requires time and the influence of such environments as should be found in the associations. We can never accomplish the victory over evil single handed, and common interests should actuate us to united effort. It is some consolation to know that even the public is learning to discriminate between good and bad agents, and that a disreputable agent is not considered a type of our business, but its caricature. Though life insurance is conducted along commercial lines, yet if the sole thought of agents is to secure risks regardless of proper methods then disaster will come. It is for us to avert such a calamity.

The work of the life insurance agent to-day, though easier in details, is on the whole more difficult than ever before. Many evils have fastened themselves on the business like parasites, and the work imposes greater effort on the agent and makes a greater demand upon his skill, outside of the good he feels can be done for the widow and fatherless. The insuring community is better informed on the subject and the average agent breaks down. The successful agent, therefore, must be higher than the average. We rejoice that this condition compels the development of a higher standard of character and ability. The selection of the right kind of men does not seem yet to have governed the management. The idea prevails in some offices that it is all right to employ imps of darkness to get business, provided angels of light visé the risks. The agent who can corral the largest volume of business, even if it is given away, has often been accredited with more honor than the plodder, whose smaller business sticks.

THE TREATMENT OF UNFIT AGENTS.

It is clearly the purpose of the National Association to improve the character of the men engaged in the business. It is not intended to constitute the local associations as courts of inquiry into the conduct of its members. That would be treading on dangerous ground. There is nothing to prevent a manager from employing a disreputable agent, if he chooses to do so. But I do not believe that as a business proposition any manager, having due regard to his own interests, would continue to employ anyone unworthy of confidence. There might be some who would do so, but the large majority would only be too glad to have in their possession information that would protect them against unscrupulous and unsuccessful solicitors. Every one of you has

employed many persons whom you would not have employed had you had information about them which you might have secured from others. When you found out what their record was you dismissed them, and in many cases did this after losing a great deal of money.

Former conventions have discussed this subject exhaustively, and the time has arrived when moral suasion should be supplemented by positive action. Many of the evils that have grown up have been the natural result of the rapid increase of the business in the past fifty years. But with this record behind, it is incumbent upon experts in the field to prevent further growth and in time to eliminate them. Like new diseases, these evils seem to be increasing with new remedies. This unfortunate condition of affairs is largely due to the lack of harmonious action on the part of the companies and the loose and unsystematic methods employed by the managers. But we must not condone crime even in high places, nor should we depend upon pasteboard laws that are ethically good, but practically inoperative. Doctors and lawyers do not need laymen to teach them how to be skillful in their work, nor are we benefited by good-natured legislation through which may be driven the proverbial four-horse team.

The intelligent insurance manager of the future will not employ men of reckless methods who leave a trail of defilement wherever they go, but will demand clean workers who will ennoble themselves as advocates of the noblest business in the world. This means that the unfit must be set aside for the fit. Why not have the best? We compare our work with that of the preacher and teacher. Both are carefully educated in ethics. Both are set apart. If our work is as elevating as theirs, then we should have as noble men in it, and rid our ranks of the unworthy if we cannot reform them. The remedy is in the hands of the underwriters' associations. We cannot control some things about the business, because they are in the hands of the superior officers. But if there is any one thing we can do it is to control the men we employ.

See what is being done to protect the mercantile business. There is a National Association of Credit Men, and the credit man, says a writer, is an indispensable adjunct of every large business. Inasmuch as the bulk of business is done on credit, the value of their work is obvious. It is not too much to say that the new methods of extending credits will lessen the liability to commercial panics quite as much as the united efforts of banking institutions. Character has more than ever become the basis of credit. It is said there was a time when a man might gamble, drink to excess and indulge in riotous living without suffering much, if any, loss of prestige in the business world. This is no longer the case. The modern credit man, besides ascertaining the strength of a merchant's business, the amount of his assets and liabilities, also takes note of his personal character. Many men who are leading double lives, and who suppose that no one is the wiser, would be surprised to learn that the truth is known to more than one credit man. Locked up in the latter's safe is information that would cause widespread scandal if made public, and bring ruin to many concerns.

That our business may be as safely guarded as any other is our ambition. The views herein stated were emphasized upon many occasions, attracting the attention of the press, which gave them widespread notice. Realizing that the unworthy agent is one of the greatest evils in our business, they generously supported our plan by which we hoped to devise means for co-operation against the disreputable class who are injuring the business. A reference bureau has been for some time in successful operation on a limited scale outside of the National Association. Its success warranted the belief that under proper regulations its benefits might be extended to all the general agents in the country, and a system adopted that would be permanent. At this stage, I received a communication from the Underwriters' Protective Association of New York, an incorporated body and well equipped organization, whose services would be much more efficient and much less expensive than if a special bureau was created for the purpose by the National Association of Life Underwriters. The subject was carefully investigated at the midyear meeting of the executive committee and unanimously sanctioned. The details will be mentioned by the chairman in his report. To make the scheme effective, it must have that generous support which we confidently expect.

It will require a severe struggle to reach the status of a perfect agent, but it may be attained when we are just to ourselves as well as to others, and when the brotherhood of agents becomes an established fact and not a dream. This is not inconceivable, for the underwriters' associations, though slowly moving toward the good, will be the medium through which we shall reach it. As surely as life insurance is a benefactor of the race, so surely must its advocates be governed by the law of love that is its foundation. Broad minded, generous, and just we must become fairer and truer to one another. And as the great current of time is flowing into another century, it will sweep our work on toward the perfection we desire, and the good work and the good worker become as one in their high mission.

Loud and prolonged applause greeted the president at the close of his address and a rising vote of thanks was given.

The treasurer, Mr. Weeks, reported that there was a balance on hand at the beginning of the year of $936.84; received during the year for dues, $1,322.31; total receipts, $2,259.15; total disbursements for general expenses, $1,336.82, leaving a balance on hand of $1,336.82.

REPORT OF THE EXECUTIVE COMMITTEE.

Mr. Stephen F. Woodman, on behalf of the Executive Committee, made the following report:

FELLOW MEMBERS—The administrative year of the National Association, now closing, has been one of marked activity and progress. Your president has devoted extraordinary fertility of resource, constant thought and unremitting effort to the maintenance of the advance movement so well inaugurated by his predecessors. By stirring circulars, personal visitation and inspiring speech he has sought to stimulate the faithful to new zeal and to arouse the indifferent to action. The reward of his fidelity has been a quickened enthusiasm in existing associations and the formation of twelve new associations, including several reorganized. Most of these associations have promptly become a part of the national organization, thus evincing a desire to at once enter into the largest usefulness of association work, and, as far as practicable, to insure permanence. Conservative local considerations only have deterred those associations which still remain outside the fold from immediate union with the national body. It is hoped that the way may soon become clear for this step.

As a part of the record of this administration, attention is called to the series of letters commendatory of the spirit and purpose of life underwriters' associations, as called out by President Register from the executive heads of the life companies. These letters have already appeared in the insurance journals and have also been printed in pamphlet form to a considerable edition, which has been distributed, as is believed, to good purpose. It is recommended that they be given permanence in the annals of the association by incorporation in the printed report of this convention.

The exhaustive report of the Committee on Statistics, which will, as usual, appear in separate form, affords a most gratifying exhibit of the status of the constituent parts of the National Association. It is commended to your careful study. All that has been accomplished, however, serves to bring out in strong relief the work yet undone. As the result of his correspondence and observation, President Register advises that there are cities and sections where the conditions of competition are simply deplorable. Not only are the commonest amenities between representatives of competing companies unobserved, but in many instances absolute hostility prevails. No more forceful object lesson illustrative of the benefits of local associations can be presented than is found in the conditions referred to as contrasted with those where associations have been steadily maintained. While at the best wholly ideal conditions may not exist, the good that has been done by the local associations should command for them the most enthusiastic support of all good men in the profession. Only by persistent individual and co-operative effort will abuses and vicious methods be eliminated and the business lifted to its highest possible plane.

The report further recommended that the president, secretary-treasurer and chairman of the Executive Committee be authorized to remit the annual dues of any local association for sufficient cause. Continuing, the report said:

Upon the organization of your present committee at Saratoga, consideration was at once given to the action recommended in the address of President Johnson, namely:

> The passage of an appropriate resolution respectfully requesting our life companies to consider the advisability of inserting in their policy contract a provision making such policy null and void in case the insured does not pay the first and subsequent premiums in full.

It was voted that President Register be requested to communicate this recommendation to the executive head of each of the various life companies. This request was promptly complied with and some thirteen companies responded, the con-

sensus of expression being adverse to the adoption of such measure. While, therefore, the suggestion failed of its immediate purpose, it should have served to show to the company officials that the National Association is earnest in seeking to reform the abuse in question. As was well remarked by the author of the recommendation, "The end is not yet."

Allusion was made to the selection of topics made by the committee for discussion by local associations, the changed regulations regarding the competition for the prize essays, certain amendments to the constitution and the following resolution, adopted by the Executive Committee at its Saratoga meeting:

We, the members of the National Association of Life Underwriters, in convention assembled, do hereby recommend to all companies that contracts be made only with men of intelligence and good character, who are interested in life insurance, and who give it a considerable portion of their time, and not with persons who only make the business a makeshift or temporary employment, and thereby demoralize the work of agents who give the business their undivided efforts, and it is

Resolved, That this association further requests that the officers of all companies, their general agents and managers, exert their influence in the direction of this needed reform.

The report contained eulogistic sketches of two ex-presidents of the National Association who died during the past year—Charles H. Ferguson and David S. Hendrick.

The afternoon session was called to order at 2:30 o'clock p. m., the first business being the reading of a telegram from Miss Emily A. Ransom saying that Colonel Ransom sent his cordial greetings to the National Association and his best wishes for a harmonious and successful meeting. The following reply was sent by Secretary Mason, by direction of the association:

Col. C. M. Ransom, Newton Centre, Mass.:

The National Association, in large and enthusiastic convention assembled, instruct me to send you the heartiest appreciation of the grand work you did in its formation and continuation, and its love, best wishes and kindest solicitations for your health. FRED. B. MASON, Secretary.

A paper by Vice-President James H. Hyde, of the Equitable Life, was down on the program, but the regrettable news was received that he was prevented from attendance on the convention by illness.

Messrs. C. G. Hine and R. B. Moyer, of the Underwriters Protective Association, were introduced and explained the plan of the association for affording information to general agents and managers concerning unworthy or incompetent agents.

The association then took up "Practical Topics" for five minute speeches. The first topic selected was "The best means of securing responsible and good agents." Mr. Scott, of Philadelphia, was the first speaker, and said that men between the ages of twenty-five and thirty years were better beginners than older men, for they can be educated to the ways of the company. A good moral character should be the standard, and the agent should then be carefully nursed and instructed until he has self-confidence and can stand on his own feet. It should be instilled into him that it is a crime to tell an untruth or to exaggerate. The truth is good enough without exaggeration. The secret of success in an insurance agent's career is to learn to bring the future to the present.

Mr. Munson said that to get and keep good agents they should be good themselves, and set a good example which will be followed by those under them.

Messrs. Childs, of Burlington, Vt.; Reed, of Philadelphia, and Holway, of Boston, followed.

The next subject discussed was "Does life insurance advertising pay?" Mr. Golding, of New York, said that advertising in the daily press did not pay unless properly managed, but that it always paid to advertise in the insurance journals.

Mr. Appel, of Boston, called on Mr. Gammons, of the firm of J. T. Phelps & Co., Boston, to give the experience of his firm in advertising. Mr. Gammons said that for thirty years they had advertised liberally and found that it paid; not so much for the individual company, but for the benefit of the life insurance business as a whole.

Mr. Wilks, of St. Paul, strongly advocated advertising, not alone in papers and magazines, but liberally in every judicious way to keep one before the public. Let everybody know that you are in business and you will get business.

Mr. Hughes, of the *Insurance Register*, spoke well and very emphatically in favor of properly advertising one's business, and gave several illustrations of the successful advertisers.

The next subject proposed was "At what point should competition for a risk cease?" As no one responded, on motion the meeting adjourned, to meet the next morning.

THURSDAY'S PROCEEDINGS.

The morning session began with the appointment of a committee on nomination of officers for the ensuing year, and was followed by the introduction of Mr. Huling to the association.

MR. HULING ON "LIMITATIONS IN LIFE INSURANCE."

Mr. A. H. Huling, editor of the *Insurance Herald*, of Louisville, read the following paper entitled "Limitations in Life Insurance":

Legitimate life insurance is governed by unchangeable laws, based upon amply verified human experience associated with mathematical verities which cannot be questioned. The law of average as to the duration of human life and the law of proportion inherent in mathematics combine to establish the principles which are fundamental to the life insurance system. That system first of all takes the recorded facts of more than 150 years with reference to the mortality rate occurring among 10,000 persons, more or less, at a given age, and determines the net uniform annual premium which shall constitute, in the aggregate, with accretions from interest, the mathematical equivalent, for the average man, of the insurance promised. Adherence to strictly scientific principles being taken for granted, the system of life insurance is subject to no contingencies, excepting such as belong, not to the system as such, but to its administration.

In its fundamental aspect, being based on the inexorable laws of mortality, and the exact science of mathematics being the sponsor for its working plans, manifestly life insurance has its well defined limitations. Founded on facts correctly interpreted and applied to a definite and exclusive purpose, the system successfully accomplishes that purpose only when developed within the limitations of the laws which govern it. Its primary purpose is to furnish to the dependents of the insured either a full or a partial money equivalent for the life when it shall cease.

This is not and cannot be furnished as a gratuity in whole or in part from a fund created and perpetuated by charity, but from a fund contributed by all the insured in proportion to the benefit promised, always with strict regard to the law of average which subordinates the individual to the classified experience of the many. Whatever else life insurance may be it is clear, therefore, that it is not a philanthropy. It is a clear cut business transaction—so much premium for so much insurance—the former being the equivalent of the latter as determined by the laws of average. To charge less than this equivalent is ruin, as alleged insurance based on "fraternity" has amply demonstrated everywhere. Giving something for nothing may be applicable to an orphan asylum or a free soup house, but it is not life insurance. It is true that the latter is a grand beneficence—the grandest in the world—but philanthropy has no place in its calculations.

It follows that the cheapening of the cost of the protection in any way to an individual or a class of individuals to the exclusion of other policy-holders is entirely outside the limitations of life insurance and therefore illegitimate. Equity between the members is an essential attribute of the system, and when an agent sells and a company issues identical policies to two men of the same age for which one pays $100 and the other $200, equity degenerates into discrimination and the limitations of the business are exceeded. Life insurance has nothing in common with bargain counter methods or the practice of the street fakir, and yet, as every man in this audience can testify, the selling of life policies at all sorts of prices is as common as the advent of office seekers in Washington or of beggars in

Rome! To the lasting discredit of the business the present decade is in danger of being known in history as

THE BARGAIN COUNTER PERIOD IN AMERICAN LIFE INSURANCE.

How long will the business stand the strain? I don't know, but I do know that history is uniform in its teaching that any business or any institution which persistently violates the fundamental laws of its being must suffer loss and treads upon the verge of ruin. It is important for us to remember, however, that rebating of premiums is a symptom and not the disease itself. Back of it the potent and portentous cause exists. It is found in the managerial desire for empire instead of excellence. Ambition for empire ruined Napoleon Bonaparte, and it will as surely ruin the Napoleons of life insurance if long and recklessly indulged in.

It is doubtless within the limitations of legitimate life insurance for companies to exploit their excellences and by healthful enterprise to extend their benefits, at an expense consistent with the object which called it into being. That object is to furnish protection to as many people as possible at the lowest cost consistent with absolute safety. When, however, company executives yield to the seductive suggestions of ambition to use the powerful means at their command in the quest for new business as the chief end to be accomplished, and when, moved by the spirit which dominates the race course, they control the agency force by offers of enormous commissions and spur them to reckless riding for the goal of Volume by offers of extra bonuses and prospective preferment, then life insurance has degenerated into a machine for the promotion of competitive vainglory, instead of being a broad and economic beneficence for the multitude. We sometimes call rebating "demoralizing" and wield a club for the rebater, but who is the parent of the demoralization? The agency force, ridden by whip and spur to round up the year with a record breaking quota of new business, or the rider?

Since the era of competitive vainglory set in, with its big commissions and special bonuses, does anybody know of any reputable agent who has saved more money than under the old, legitimate commission plan? Have the old policy-holders been either benefited or edified by seeing their surplus diminished and their dividends cut in half? One class there is which has been benefited—at the expense of somebody else—viz., the men who were rebated into the life insurance kingdom at from 10 to 50 per cent. of the regular premium. They have not only had their protection at little cost, but have aptly learned the trick of getting out of one life insurance boat at the end of the yearly voyage into another, with the old members, as before, to do the rowing!

The result of this perversion of an institution which is under the limitations of equity and economy has been a waste in the business which, but for our familiarity with it, would be appalling in its magnitude. Were it not for the unimpeachable testimony of the records of the business the statement would seem incredible that while the new insurance issued and actually paid for during the ten years ending with 1900 by the regular companies continuously reporting to the New York insurance department amounted to over seven and three-quarter billions of dollars the amount of insurance on the books of these companies at the close of last year showed a gain of less than two and three-quarter billions in the ten years, or only about 35 per cent. Over five billions went off the books of the companies, of which about 70 per cent., or more than three and a half billions, were by lapses and surrenders. This waste tells the story of fictitious and extravagant methods through maladministration in violation of the principles which govern and the laws which limit life insurance. Enormous first year commissions are, however, only one of the features of modern extravagance. Happily there are indications of a return to sound practices and to that economy of expenditure which is one of the essential principles of the business. There is another feature of life insurance management, which, while perhaps not a menace in itself to the safety of the business, falls outside its strict limitations. I refer to

THE MULTIPLICITY OF POLICY FORMS.

Actuary Pierson, who may be regarded as good authority, has recently been quoted as saying that since the advent of life insurance in this country some four hundred varying forms have been devised by the various companies, and judging by the ingenuity displayed of late in the production of novelties it would appear that the limit has not yet been reached. I need not tell you that many of these forms have been devised, not to supply a demand for something more desirable than the half dozen or so standard forms which have for a long time been in use, but to create a demand for something novel and striking. Ingenuity has been worked to the limit to produce "taking" features which shall outclass competitors, the latest invention, like the competitive story teller, having the best chance. The special inducements are, however, more apparent than real, for no good company can issue policies which, as to fundamental principles, radically differ from the old, standard forms. The company can give no benefits legitimately, however novel the plan, for which it does not receive an equivalent, as in the ordinary life policy.

I am reminded here of the ingenious old doctor who achieved fame and wealth by the production of three sovereign remedies which, separately or combined, were sure to cure all the ills, real or imaginary, to which flesh is heir. One remedy he called "High-pop-o-lorum," another "Low-pop-o-highrum" and the third "Through-pop-o-gougem." They were vegetable compounds, the material for which was obtained by the old doctor himself in his solitary excursions in the wood. An apprentice, of an inquiring turn of mind, one day secretly followed his patron, who brought up in a grove of thrifty young butternut trees. Producing a shaving knife he peeled the bark from above downward on one tree, then from below upward on another tree, while producing an auger, he bored into the heart of still another young butternut, placing the products carefully in three separate piles. Of these—all butternut bark—he manufactured his three wonderful remedies—"High-pop-o-lorum," "Low-pop-o-highrum" and "Through-pop-o-gougem." The application to variegated policy forms is obvious.

While the fundamental principle of life insurance may be retained in these novel forms, they introduce the element of confusion into the business, create expectations which cannot be realized, and afford exceptional opportunities for misrepresentation on the part of unscrupulous agents. Turning life insurance into a museum for the exhibition of curios comports neither with the dignity nor the best uses of a great and beneficent institution. Evolution in life insurance, however, by which its principles, through improved methods and liberal construction, are more perfectly adapted to the needs of the insured, is legitimate and commendable; and such modern features as liberal surrender and paid-up values, extended insurance and payment of the policy in instalments do honor to present-day managers. These features of real progress are not, however, involved in any way in those spectacular attractions, more or less misleading, which are designed to catch business just as the claptrap of the politician is designed to catch votes. In a word, the limitations of life insurance demand of its executives and representatives fidelity to those fundamental principles which involve the most substantial benefits to the greatest number of people, in the use of the simplest plans at the minimum of expenditure.

The various practices and methods which I have so far briefly referred to as outside the true limitations of life insurance are faults of administration, however, and not of the system, and we may, I think, confidently expect these imperfections to gradually disappear as their tendencies are more clearly revealed, even as vapors disappear before the sunlight.

LEGITIMATE LIFE INSURANCE

is the triumph of our modern civilization, because it supplies a universal need of humanity, and its triumphant march has kept pace with the tread of the oncoming millions of our land, now an army 76,000,000 strong. It is scarcely more than a half century since the banner of life insurance was unfurled in this country, but marvelous have been its achievements. Fifty years ago 40,000 policies and $92,000,000 of insurance in force—two-thirds of which was in four companies still in the field—represented the results attained in a half dozen years. To-day when men and women answer to the roll call of our bed rock, legal reserve companies they respond with three and one-half million policies, covering more than seven thousand million dollars of insurance, besides which, thrown in for good measure, the industrial companies contribute more than eleven million policies and a billion and a half of insurance!

Since organization the American companies have distributed for death claims and endowments not far from a billion six hundred and fifty millions of dollars. That is a brief statement, easily made, but who shall reveal the full measure of its significance? It tells in part the story of tens of thousands of homes perpetuated in comfort, of impending financial ruin warded off and of society protected from pauperism and vice and crime. Read aright, it tells the story of the state potentially aided in its endeavor to promote good and virtuous citizenship, for wrapped up in the magical millions distributed are the intelligence which the means of education fosters, the moral stamina which is the product of comfortable and virtuous surroundings, and the high achievement of constructive genius which the combination of moral and intellectual forces tends to produce. The money value of the policy is transformed into social, in-

tellectual and moral values which defy the computation of the most expert mathematician.

Life insurance, at its best, is not simply a great institution among its fellows; it is the greatest human institution of this or of any age. It is wide in its outreach as the realm of humanity; high in its purpose as the starlit dome above us; broad in its provisions as human necessity; constant in its benefactions as the tides of the ocean, and invincible in its march to conquest over want as the sun's march through the heavens. In its application this institution is limited only by the needs of humanity. It is your high privilege, gentlemen, and the privilege of all of us, to rally loyally around such a standard, and striving for that which is best, while dealing manly blows upon that which is evil within the ranks, to keep joyous step in the march to victory.

Mr. Huling's paper was received with much applause, and a motion was passed to have it printed.

A resolution was adopted requesting general agents and companies to refuse contracts to solicitors who do not give the principal part of their time to the business.

It was also resolved to approve of the use by general agents of the Underwriters' Protective Association of New York for their own protection against dishonest sub-agents.

At the afternoon session five minute discussions of topics continued, the principal being, "When should competition among agents for an application cease?"

The delegates were entertained later in the day by a trolley ride and shore dinner at Cape Cottage Casino as geusts of the Maine Life Underwriters Association.

The insurance press had the following representation at the convention: Messrs. C. G. Hine, R. B. Moyer, C. O. Ransom, B. F. Hughes, Max Cohen, H. E. Tilton, A. J. Flitcraft, St. George Kempson, W. E. Underwood, J. S. Bloomingston, A. L. J. Smith, A. H. Huling and C. A. Jenney.

FRIDAY'S PROCEEDINGS.

The delegates reassembled at 10 o'clock a. m. and President Register resumed the chair.

On motion of Colonel Vrooman a telegram was sent to Mr. Cortelyou, President McKinley's private secretary, expressive of the deep regrets of the members of the association upon learning that the President's convalescence had been interrupted.

The announcement was made that the winners of the prize essay contest were: First, G. H. Wilkins, of Springfield, Mass., a representative of the National Life of Vermont; second, E. O. Sutton, of Springfield, Mass., a representative of the Mutual Life of New York.

The presentation speech accompanying the Calef Cup was made by Col. John W. Vrooman, of New York. The Ben Williams Vase was presented to Mr. Sutton by Mr. W. E. Underwood, of the New Orleans States, with appropriate remarks.

[Copies of the successful essays not having been received in time for this issue, they will be printed next week, together with the presentation addresses of Messrs. Vrooman and Underwood.—Ed.]

After the essays were read the president announced that the election of officers for the ensuing year was now in order.

The following were the officers elected on the report of the Nominating Committee:

President—William D. Wyman, of Chicago, general agent of the Berkshire Life.

Vice-Presidents—H. S. Bull, Albany; J. D. E. Jones, Providence; J. H. Ireland, Baltimore; William Goldman, Portland, Ore.; A. A. Greene, Dallas, Tex.; W. G. Ludlow, Worcester, Mass.; W. K. Schick, Harrisburg, Pa.; H. W. White, Atlanta; H. W. Horner, Minneapolis, Minn.; L. J. Genty, Topeka, Kan.; George H. Sutton, Springfield, Mass.; H. E. Freeman, Grand Rapids; T. F. Geddings, Detroit; R. N. Merritt, Indianapolis; O. E. Johnson, Charleston, S. C.; Frank Woolley, Wilmington, Del.; S. P. Frickland, Washington, D. C.; J. W. Harmon, Manchester, N. H.; L. B. Robinson, Newark, N. J.

Secretary—Fred. B. Mason, of Chicago.

Treasurer—Eli D. Weeks, of Litchfield, Conn.

New members of the Executive Committee—W. H. Joyce, Buffalo; J. W. Fitzpatrick, Portland, Me.; George A. Cantine, Newburgh, N. Y.; W. H. S. Whitcomb, Burlington, Vt.; A. J. Birdseye, Hartford.

After the new officers had been introduced the association adjourned *sine die*.

Elaborate arrangements had been made for a banquet in the evening at the Falmouth Hotel, and among the speakers scheduled were the Hon. Henry W. Anderson, of Richmond; Dr. H. C. Martin, of *Rough Notes;* Professor Stewart, of the Mutual Life, and the Hon. Charles E. Littlefield, of Maine, and an original poem was to be read by W. H. S. Whitcomb, of Burlington, Vt.

But on account of the receipt of the unfavorable news of President McKinley's condition it was decided to give up the banquet.

The Employers' Liability Assurance Corporation

(LIMITED),

OF LONDON, ENGLAND.

Total Available Resources, $5,382,620.00

$1,324,407.25 deposited in the United States for the benefit of United States Policy-holders.

APPLETON & DANA, U. S. Managers and Attorneys,

71 Kilby Street, Boston, Mass.

EDMUND DWIGHT, Jr., State Agent, 27 William Street, New York.

Provident Life and Trust Co.

OF PHILADELPHIA.

The best in Life Insurance is likely to be the cheapest. The same fidelity, skill and care which are necessary to guarantee the future security of a company result in the lowest cost. A good test, therefore, is to determine whether the organization and the surroundings of a company exclude all doubt as to future security. In determining this the question of cost is determined also. **THE PROVIDENT LIFE AND TRUST COMPANY** invites inquiry as to its organization and the provisions for safety afforded. For the full period of its existence the death rate has been only .614 of the rate indicated by the authoritative tables.

ORDINARY and INDUSTRIAL PROFIT SHARING POLICIES.

EXCEPTIONAL ADVANTAGES TO

..... Active Agents.

WRITE TO

THE PRUDENTIAL INSURANCE CO. OF AMERICA

JOHN F. DRYDEN, President. Home Office: NEWARK, N. J.

INCORPORATED 1851.

The Berkshire Life Insurance Co.

OF PITTSFIELD, Mass.

All Policies issued by the Company are subject to the Massachusetts Non-Forfeiture Law.

WM. R. PLUNKETT, President.

JAS. M. BARKER, Vice-Pres. JAS. W. HULL, Sec'y and Treas.

Agencies in all the principal cities of the United States.

National Fire Insurance Company,

HARTFORD, CONN.

JAMES NICHOLS, President. B. R. STILLMAN, Secretary.

H. A. SMITH, Assistant Secretary.

HEAD OFFICE, 95 Pearl Street, Hartford, Conn.

WESTERN DEPARTMENT.
FRED. S. JAMES, General Agent.
G. W. BLOSSOM, Asst. Gen'l Agent.
Office, 174 La Salle St., Chicago.

PACIFIC DEPARTMENT.
GEO. D. DORNIN, Manager.
GEO. W. DORNIN, Asst. Manager.
Office, 409 California St., San Fran.

The Lancashire Insurance Company

OF MANCHESTER, ENG.

MILTON DARGAN, Manager,

25 Pine Street, NEW YORK.

State Mutual Life Assurance Co.,

OF WORCESTER, MASS.

A. G. BULLOCK, President.
Incorporated 1844.

Issues policies, incontestable after two years, protected by the Non-Forfeiture Law of Massachusetts. Yearly dividends.

Assets	$17,754,046
Liabilities	15,889,512
Surplus January 1, 1901	$1,864,534

C. W. ANDERSON, General Agent, 189 BROADWAY, NEW YORK.

The Largest Fire Insurance Company in Germany.

MAGDEBURG FIRE INSURANCE CO.

Of MAGDEBURG, GERMANY.

ESTABLISHED 1844.

United States Branch, Magdeburg Building, 17 William Street, New York.

PAUL E. RASOR, Manager. AD. DOHMEYER, Ass't Manager.

Instituted in Reign of Queen Anne, A. D. 1714.

Union Assurance Society of London

No Overhead Writing

No Dual Agencies.

Loyalty to Local Agents.

United States Offices: Society's Building,

35 Pine Street, New York, ... Hall & Henshaw, Managers
171 La Salle Street, Chicago, . . . Hall & Henshaw, Managers
35 Kilby Street, Boston, . . Hall, Henshaw & Gilmour, Managers
English-American Building, Atlanta, Ga., . George N. Hurt, Manager
Mining Exchange Building, Denver, Col., Gerald L. Schuyler, Manager

AGENTS IN ALL THE PRINCIPAL TOWNS AND CITIES.

COMMERCIAL UNION ASSURANCE CO.

LIMITED,

OF LONDON.

OFFICE:

Cor. Pine & William Sts., New York.

The Manhattan Life

OF NEW YORK

want the best men obtainable for several pieces of excellent territory—and are willing to make mighty interesting propositions to good men.

ADDRESS
W. B. Lane, Superintendent of Agencies
66 BROADWAY, N. Y. CITY

Every conceivable form of Life Policies

Royal INSURANCE COMPANY (FIRE) OF LIVERPOOL, ENGLAND.

Statement of United States Branch,

JANUARY 1, 1901.

Assets, held in the U. S. for the special protection of its American Policy-holders.	$7,187,715.01
Liabilities, ...	4,703,671.36
Net Surplus, ...	$2,484,043.65

AGENCIES IN ALL THE PRINCIPAL CITIES, TOWNS AND VILLAGES IN THE UNITED STATES.

Provident Savings Life Assurance Society

OF NEW YORK.

EDWARD W. SCOTT, PRESIDENT.

THE BEST COMPANY FOR POLICY HOLDERS AND AGENTS.

SUCCESSFUL AGENTS, AND GENTLEMEN SEEKING REMUNERATIVE BUSINESS CONNECTIONS, MAY APPLY TO THE HEAD OFFICE, OR ANY OF THE SOCIETY'S GENERAL AGENTS.

ESTABLISHED IN 1822.

THE NATIONAL ASSURANCE COMPANY OF IRELAND.

GEORGE E. KENDALL,
United States Manager,
HARTFORD, CONN.

Sun Ins. Office of London, England.

J. J. GUILE, U. S. MANAGER.

OFFICE: 54 PINE STREET, NEW YORK.

The Mutual Benefit Life Insurance Co.

NEWARK, N. J.

AMZI DODD, - - PRESIDENT.

ASSETS (Market Values) Jan. 1, 1901 ..... $74,311,468.25
LIABILITIES, N. J. and N. Y. Standard 68,186,103.34
SURPLUS 6,125,364.91

MUTUAL BENEFIT POLICIES
—CONTAIN—
Special and Peculiar Advantages
WHICH ARE NOT COMBINED IN THE
POLICIES OF ANY OTHER COMPANY.

1850. THE 1901

United States Life Ins. Co.

IN THE CITY OF NEW YORK.

GEORGE H. BURFORD, President.

FINANCE COMMITTEE.

GEO. G. WILLIAMS, ... *President Chemical National Bank*
JOHN J. TUCKER, ... *Builder*
E. H. PERKINS, JR., *President Importers' and Traders' National Bank*
JAMES R. PLUM, ... *Leather*

Active and successful Agents who desire to make Direct Contracts with this well-established and progressive Company, thereby securing for themselves not only an immediate return for their work, but also an increasing annual income commensurate with their success, are invited to communicate with RICHARD E. COCHRAN, 3d Vice-President, at the Company's Office, 277 Broadway, New York City.

Assets over $8,000,000. **Insurance in Force, over $40,000,000**

The Massachusetts Mutual Life Insurance Company,

INCORPORATED 1851. *SPRINGFIELD, MASS.*

ASSETS—January 1, 1901 ..... $26,245,622.04
LIABILITIES 23,920,986.53
SURPLUS 2,324,635.51

Definite Paid-up and Cash Surrender Values written in every Policy.

JOHN A. HALL, President. HENRY M. PHILLIPS, Secretary.

New York Office: Empire Building, 71 Broadway.
GEORGE J. WIGHT, Manager.

. . . The . . .

Mutual Life Insurance Company of New York

RICHARD A. McCURDY, President,

Did more business in 1900 than during any previous year.

Income in 1900, - - - $60,582,802.31
Assets December 31, 1900, $325,753,152.51
Insurance and Annuities, $1,141,497,888.02

The history of the Company has been an unbroken record of progress. Its excess of returns to policy-holders has been almost **six** times as much as that of the next largest company and nearly **ten** times as much as that of the third in rank.

Total of Assets and policy payments, $866,232,963
Total premiums received, - - - - $779,134,420

Excess of Assets and payments to policy-holders over total premiums received since formation of Company, **$87,098,543**

It has room for workers who are not rebaters. Address

GEORGE T. DEXTER,
Superintendent of Domestic Agencies,
HEAD OFFICE, NEW YORK.

The Preferred Accident Insurance Co.
OF NEW YORK.

Accident Policies. Health Policies.

Large Benefits, Low Rates, Best Commissions.

December 31, 1899:

Assets,	$779,385.45
Surplus,	365,124.30

KIMBALL C. ATWOOD, Sec'y, 290 Broadway, NEW YORK.

ÆTNA
LIFE INSURANCE CO.

MORGAN G. BULKELEY, PRESIDENT

Largest Company in the World doing Life, Accident and Health business

ASSETS, OVER . . . $56,000,000.

MOWRY and PATTERSON, Managers Life Department.
GEORGE C. STERLING, Manager Accident Department.

Continental Building, 46 Cedar Street, NEW YORK CITY.

THE
John Hancock

MUTUAL
Life Insurance Company of Boston, Mass.
Insurance in Force December 31, 1900, . . $221,032,536
STEPHEN H. RHODES, President.
ROLAND O LAMB, 2d Vice-Pres. and Sec'y; ARNOLD A. RAND, 3d Vice-Pres.; ROBERT K. EATON, Sup't of Agencies, Ordinary Department; FRANK B. WEEKS, Sup't of Agencies, Industrial Department; WM. S. SMITH, Actuary; FRANK K. KOHLER, General Agent.
St. Paul Building, New York.

Phœnix Mutual Life Insurance Co.
OF HARTFORD, CONN.

ORGANIZED IN 1851.

Assets, January 1, 1901	$13,278,711.73
Surplus at Four per cent	564,656.73

Total Paid Policy-holders over
—$42,500,000—

ACTIVE AND INTELLIGENT MEN WANTED AS AGENTS, with whom liberal contracts will be made. Desirable territory now open.
The new plans of the Company are brief, clear and liberal. Life and Endowment Policies have endorsed upon them definite cash, loan, and paid-up values, and in case of lapse, insurance is extended without action on the part of the insured.

J. B. BUNCE, President. J. M. HOLCOMBE, Vice-President.
C. H. LAWRENCE, Secretary.
NEW YORK OFFICE: WEED & KENNEDY, Managers, 149 Broadway.

Caledonian Ins. Co.,
FOUNDED 1805. of Scotland.

"The Oldest Scottish Insurance Office."

United States Head Office, 27-29 Pine Street, New York City.

STATEMENT JANUARY 1, 1901.

Assets	$1,910,617.66
Liabilities	1,101,382.62
Net Surplus in the United States	$809,235.04

CHARLES H. POST, U. S. Mgr. N. A. McNEIL, Ass't U. S. Mgr.

Home Life Insurance Co.
256 BROADWAY, NEW YORK.
GEO. E. IDE, - - - - President.

Assets,	$12,342,247.00
Dividend Endowment Accumulations,	736,337.00
Contingent Fund,	65,875.00
Net Surplus,	1,282,588.30

Western Assurance Company.
HEAD OFFICE: TORONTO, CANADA.
INCORPORATED 1851.
Hon. GEO. A. COX, President.
J. J. KENNY, V. P., and Managing Director.
UNITED STATES STATEMENT, JANUARY, 1901.

Assets	$2,016,370.78
Surplus in United States	638,430.59

HANOVER
Fire Insurance Company
OF NEW YORK.

Agencies in all the Principal Places in the United States.

INCORPORATED 1865
GERMAN INSURANCE CO.
OF FREEPORT, ILL.

The Largest and Most Successful Fire Insurance Company in the West.

Assets, January 1, 1901,	$3,656,401.59
Cash Capital,	200,000.00
Liabilities, including reinsurance,	2,181,179.89
NET SURPLUS,	1,275,221.70

C. O. COLLMAN, Pres. HENRY BAIER, Vice-Pres. D. B. SCHULTE, Treas.
WM. TREMBOR, Sec. F. M. GUND, Ass't Sec.

PHENIX INSURANCE COMPANY,
OF BROOKLYN, N. Y.

NEW YORK OFFICE:
47 CEDAR ST.

H. L. PALMER, Pres't.
J. W. SKINNER, Sec'y.

THE

ORGANIZED 1857.

Northwestern Mutual Life Ins. Co.

PURELY MUTUAL AND TRANSACTS BUSINESS ONLY IN THE UNITED STATES.

LOW MORTALITY. ECONOMICAL MANAGEMENT

STATEMENT, JANUARY 1st, 1901.

Assets	$139,512,166
Liabilities, including $23,360,346 approximate surplus accumulations held to meet tontine and semi-tontine contracts	133,945,513
General Surplus	$ 5,566,653
Income during 1900	$ 27,160,804
Insurance Written during 1900*	$ 65,345,814
Insurance Gained during 1900*	42,552,954
Insurance in Force*	529,647,290

* Including only business actually paid for.

NO REBATING PERMITTED.

BEST RESULTS TO POLICY-HOLDERS. MOST ATTRACTIVE POLICIES.

Business Accepted Only From Regular Agents of the Company.

For Further Information, or an Agency, address:

WILLARD MERRILL, Vice Pres't and Sup't of Agencies, Milwaukee, Wis.

National Life Insurance Company of Vermont.

J. C. Houghton, President.
Jos. A. De Boer, Vice-President.
O. D. Clark, Secretary.

THIS COMPANY HAS GAINED IN THE LAST DECADE,

In Assets,	$12,275,109.34,	or 160.96 per cent.
In surplus,	1,089,332.69,	or 119.47 per cent.
In insurance,	48,102,491.00,	or 93.64 per cent.

Sells the Most Modern, Profit-Sharing, Non-Forfeitable Contracts of Life, Term, Endowment and Annuity Insurance. Correspondence from interested parties promptly recognized. Good agency contracts for reliable men.

J. F. Makley, General Manager,
149 Broadway, New York.

TO BE FAITHFUL

...To Policy-holders and Agents

is the motto of the management of the Union Mutual. To serve all interests impartially. To treat all parties with consistent candor. To issue policies of pronounced liberality To make all death payments with the utmost promptness. To be fair in all dealings.

Honest, capable Agents can always have employment with us.

Union Mutual Life Insurance Co.

Portland, Maine.

INCORPORATED 1848.

FRED E. RICHARDS, President. ARTHUR L. BATES, Vice-President.

Address either { Edson D. Scofield, *Supt.*, 1110 Am. Tract Society Bldg. 150 Nassau St., New York City. Thornton Chase, *Supt.*, 84 Adams Street, Chicago, Ill.

Head Office for the United States:

57 and 59

William Street,

NEW YORK.

A. G. McIlwaine, Jr., Manager.

The Union Insurance Company

OF PHILADELPHIA.

CAPITAL, - - - $200,000

STATEMENT, JANUARY 1, 1901.

Bonds, Bank and other Stocks, Market Value,	$279,180
First Mortgages on City Property and Demand Loans,	9,900
Real Estate, unincumbered, owned by the Company,	160,080
Premiums in course of collection, Interest due Company and Cash in Banks and Office,	96,032
Total Assets,	$545,120

LIABILITIES.

Reserve for Reinsurance and other Liabilities,	$239,933
Reserve for Losses under Adjustment,	33,915
Other Liabilities,	15,735
Surplus to Policy-holders,	255,537
	$545,120

Losses paid since organization, $17,874,556.

CHAS. S. HOLLINGSHEAD, President.

E. R. DANNELS, Secretary. M. JOS. NOWLAN, Assistant Secretary.

1846—1901.

THE CONNECTICUT MUTUAL LIFE

Insurance Company.

WHERE THE CONNECTICUT MUTUAL STANDS.

During all the long struggle out of which this situation has developed, and amid the many schemes devised to attract public attention and favor to something else than life insurance, the attitude and position of the Connecticut Mutual have never been doubtful.

It has held to the cardinal facts: Life insurance is for the protection of those dependent on a man's life; their dependence makes it his unavoidable duty. Those dependents we assume to protect by our contract, at his personal cost; our duty to them is to make that protection as large, as secure, and as certainly available to them as possible; our duty to him is to make its cost to him as small as possible.

JACOB L. GREENE, President. **HERBERT H. WHITE, Secretary.**
JOHN M. TAYLOR, Vice-President. **DANIEL H. WELLS, Actuary.**

The Metropolitan Life Insurance Co.

(INCORPORATED BY THE STATE OF NEW YORK.)

"The Leading Industrial Insurance Company of America,"

IS REPRESENTED IN ALL THE PRINCIPAL CITIES OF THE UNITED STATES AND IN CANADA. THE PAYMENT OF OVER 250 DEATH CLAIMS DAILY TELLS OF THE GOOD IT DOES. INSURANCE IN FORCE OF OVER $900,000,000 ATTESTS ITS GREATNESS AND FAVOR WITH THE PUBLIC.

Permanent, Profitable and Progressive Employment.

AGENTS WANTED—Any honest, capable, industrious man, who is willing to begin at the bottom and acquire a complete knowledge of the details of the business by diligent study and practical experience can, by demonstrating his capacity, establish his claim to the highest position in the field. It is within his certain reach. The opportunities for merited advancement are unlimited. All needed explanations will be furnished upon application to the company's superintendents in any of the principal cities, or to the Home Office, No. 1 Madison Avenue, New York City.

JOHN R. HEGEMAN, President.

HALEY FISKE, Vice-President. GEORGE H. GASTON, Second Vice-President. GEORGE B. WOODWARD, Secretary. J. J. THOMPSON, Cashier and Assistant Secretary. JAMES M. CRAIG, Actuary. JAMES S. ROBERTS, Assistant Secretary. STEWART L. WOODFORD, Counsel. THOS. H. WILLARD, Medical Director. A. S. KNIGHT, Assistant Medical Director.

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.

FOUNDED 1792.

Assets, January 1, 1901		$9,583,791
LIABILITIES—Reserved for Reinsurance and all other claims	$4,805,254	
Capital Stock	3,000,000	
Surplus over all Liabilities	1,778,537	$9,583,791

Agents in all the principal towns and cities.

CHARLES PLATT, President. EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. BENJAMIN RUSH, Second Vice-President.
T. HOUARD WRIGHT, Marine Secretary. JOHN B. ATWOOD, Assistant Secretary.

Offices in New York: Fire, William and Pine Sts.; Marine, 63 Wall St.

1825. THE 1901.

Pennsylvania Fire Insurance Co.

OF PHILADELPHIA.

Cash Capital,	$400,000.00
Re-insurance and all Liabilities,	2,771,038.56
Surplus,	2,163,883.97
Total January 1, 1901,	$5,334,922.53

R. DALE BENSON, Prest. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Prest. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

Chartered 1866. 33 Years Successful Business.

The Hartford Life Insurance Co.,

HARTFORD, CONN.

Every desirable form of up-to-date contract is issued by this old and sterling company.

All rates and values guaranteed in the contract.

$18,500,000 Paid in Benefits.

Ratio of Assets to Liabilities, $142 to $100.

GEO. E. KEENEY, President CHAS. H. BACALL, Secretary.

The American Fire Insurance Co.,

PHILADELPHIA, PA.

CASH CAPITAL	$500,000.00
Reserve for Reinsurance, and all other Claims	1,603,605.54
Surplus over all Liabilities	247,360.42
TOTAL ASSETS, JANUARY 1, 1901	$2,477,069

THOMAS H. MONTGOMERY, Prest.
RICHARD MARIS, Sec. and Treas. WM. F. WILLIAMS, Asst. Sec.
WM. B. KELLY, Gen. Mgr.

DIRECTORS—Thomas H. Montgomery, Israel Morris, Pemberton S. Hutchinson, Joseph E. Gillingham, Charles S. Whelen, Edward F. Beale, John S. Gerhard, Edward Lowber Welsh, Archibald R. Montgomery.

The Weekly Underwriter:

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MR. BATTERSON was a commanding figure in the insurance world many years. His strong, rugged personality was always in view, his activities were always being felt in some direction. Combative beyond control, it may almost be said that he died with his armor on, for it was but the other day that he was in the thick of a controversy which he himself had raised over the right of a mutual life company to issue stock policies. Indeed we can hardly recall a time in recent years that he did not have a fight on hand for some principle which he believed it to be his duty to assert or to defend. And yet his motives never failed to command the respect of his opponents, who felt that he might be mistaken, but knew that he could not be insincere. In other respects also he was a remarkable man. He possessed the dissimilar qualities of a keen business instinct, a poetic temperament and a taste for recondite learning, and shone conspicuously in each. In insurance history he will ever be famous as the creator of personal accident underwriting in the United States. With it he laid the foundations of the great company which was controlled by his single will while he lived, and which remains, after his death, the monument of his tireless energy and administrative genius.

THE annual meeting of the Western Union this week was preceded by the customary head shaking of the pessimists, and will be followed by the usual indications of renewed strength and prosperous growth. While we go to press without the results of Friday's proceedings enough is known to show that the temper of the representatives of the Western business was excellent, and the prospect of improving conditions most hopeful. The main features of the meeting were centred upon three points: Action favorable to the continuation of the schedules on unprofitable classes, to the reduction of rates on preferred classes and to separation absolute in Union agencies instead of optional or conditional separation. The contention of most importance in the convention was, of course, the latter. Absolute separation has been making steady advance as Union policy for the past year. It may drive more companies out of the organization, but it is apparently the intention of the strongest members of the Union to make it the backbone of the institution. The prior discussions in the meeting were devoted principally to the question of rates on preferred business, and it was decided to recommend for Iowa that in future the State rater omit making rates upon churches, schools, dwellings, public buildings and buildings occupied exclusively for mercantile purposes. This is practically equivalent to throwing off rates on all preferred classes in the State. It was further voted to recommend the abrogation of all exposure charges on dwellings in Ohio, Missouri, Kansas and Nebraska.

THE address of President De Camp contained some interesting deductions from statistics which he had been collecting relative to results of underwriting in the West in the past twenty-one years, which has been about the span of the Union's career as a factor in the business. He was able to show that in certain States there had been a loss, in others no gain, in others still a profit. The States showing the least loss to risk were Illinois, Ohio, Iowa, Kansas, Nebraska, Indiana, Colorado, Michigan and Missouri, but the rate of premium was so low that Ohio and Missouri showed no profit, and Indiana had between 4 and 5 per cent. States that had a high loss ratio to risk were Wisconsin, Minnesota, Kentucky, Tennessee, the Dakotas, New Mexico and the Indian Territory. All of these were unprofitable except Wisconsin, Minnesota and South Dakota, where the rates had been more adequately adjusted. In the entire field the rates for last year were seven points lower than the average for twenty-one years, while the expense had increased. In twenty-one years the margin of income was 6 per cent., a very small figure considering the liability to conflagrations. Mr. De Camp urged that expenses be curtailed whenever possible and said that companies were not getting increased business through excessive charges. We are indebted to the special report of the *Journal of Commerce* for these details, which are extremely valuable as an exhibit of conditions in the West, and of the spots where restorative measures are most needed.

THE newest examination of the Mutual Reserve Fund, to which we alluded last week, has been completed, and we have been favored by the association's literary bureau with a copy of the examiner's report, which we reprint in another column, omitting the tabular matter, which is practically a reproduction of the statement of December 31, 1900, as published by one or more State departments. It is needless to say that this report by the examiner of the Iowa department is what the association desires it to be; otherwise the examiner would no more have got a sight of the books than Mr. Wolfe did. As to the composition of the report, it outdoes in brevity and simplicity that furnished by the association to the Nebraska department, and published by the department from the Manhattan Hotel as its own some time ago. It would seem that if a matter like this could be arranged by so simple a process as a visit by a vice-president to Des Moines, it might be tried with prospects of similar success in calls at St. Paul and Madison. The traveling expenses would not be so much, while the incidental expenses would be nil. We are confident that the oleaginous representative

of the association would meet with a warm reception at both capitals.

Facts and Opinions.

THE late President's life insurance was about $70,000. The distinction of writing $50,000 of this belongs to Mr. R. D. Bokum, now Illinois manager of the Mutual Benefit Life, says our Chicago correspondent. It was in 1896, just before Mr. McKinley was elected for the first term, and Mr. Bokum was then manager for Northern Ohio of the New York Life. He had known Mr. McKinley for some time, and in the course of working his territory, reaching Canton, visited the candidate. Mr. McKinley said that he had about $25,000 in life insurance, and felt that he ought to have more, but he did not want to take more than he could carry. He finally decided on a $50,000 ordinary life policy in the New York Life, as offering the greatest amount of protection at the least cost. The premium was $2,795, and Mr. Bokum says that there was no suggestion of a rebate. When the election made Mr. McKinley's financial outlook easy the policy was changed to a fifteen-year endowment, with an annual premium of $4,125. On this four premiums had been paid, and another would have been due soon. In addition to this Mr. McKinley had taken out a tontine policy with the New York Life while first in Congress, which had matured satisfactorily, whereupon he took out another small policy through Dr. William Stoddart, then agent of the New York Life in Canton. In addition, the President is known to have had $7,000 in the Michigan Mutual Life, half of it carried since 1873, and $10,000 in the Connecticut Mutual Life. The *Insurance Press* has ascertained that he also had a policy in the Equitable Life, which was paid on Monday last.

THE following official announcement of the death of President McKinley was sent out by the New York Life insurance company on Monday to its agents throughout the country:

To Agency Force:

On the day that this reaches you all that is mortal of William McKinley, late President of the United States, will be committed to the earth. The good that he accomplished in life will not be buried with his body, but will remain a precious heritage to his countrymen and to mankind. At the time when he was stricken down by a murderous hand he stood conspicuous among the rulers of the world as a man who had advanced the interests of his country. He undertook the solution of the greatest problems of the Republic, in peace and war, with a firm hand and with determination; yet he retained a spirit of good will and gentleness toward those found in opposition to his plans. The administration of his high office has been singularly free from criticism in the light of our peculiar political divisions, and in the hour of his suffering the most tender assurances of respect and esteem have come from those holding opposite political views. To the members of his own party he endeared himself as perhaps no other in like position had, except Lincoln, and amidst the exacting demands of public life he always found time to be the devoted husband of the gentle lady who shared his fortunes and his fame. The law-abiding citizens of every land are united in denunciation of the murderous principles that caused his death and in execration of his assassin. The President died as he lived—with the fear of the Lord in his heart, and in the expression of a faith which taught him to submit to the behest that called him home. His life and death illustrate and adorn American and Christian citizenship, and his name will be enrolled among the benefactors of mankind. Very sincerely yours, JOHN A. MCCALL, President.

A BIOGRAPHICAL notice of Thomas H. Wagner, the new Superintendent of Insurance for Missouri, appears in the St. Louis *Insurance Leader*, accompanied by a portrait of a good-looking man with a face full of character. Mr. Wagner will be forty years old next Sunday. He was born in Scotland County, Missouri, and lives there now. After attendance at the public schools of the county, he took a higher course of education at Central College, Fayette, Mo. He began the practice of law in 1855 in partnership with John B. Mudd, and the firm, as Mudd & Wagner, continues. Mr. Wagner has been prominent in politics and is a member of the Democratic State Central Committee. The *Leader* describes him as a man of strong convictions, conservative and thorough. In administering the affairs of his office he will be found "fair and just."

THE editor of the *Insurance Economics* in a recent conversation disclaimed responsibility for a certain scurrilous article in that sheet, remarking incidentally that when its real author wrote a good thing he put it in his own paper, but his nasty effusions went into the *Economist*. The appearance of the article to which we refer led us to clothe the editor with the appellation of "witless blackguard." He is restive under the accusation and pleads the baby act in extenuation. Well, then, how does "unmitigated ass" suit him? Such he must be if he allows his columns to be used for indecent purposes without his knowledge and consent. The editor is said to be a "polished writer" on occasions and capable of better things than appears in the *Economist*. He will get the dubious reputation of being a Jekyll and Hyde sort of person.

IN our issue of September 7 we gave currency to a statement that the Master Builders' Association of Boston had voted that no member of that organization should charge less than $40 a day for services as appraiser of fire losses. We are in receipt of a letter from Mr. William H. Sayward, secretary of the association, in which he says "the Master Builders' Association has never taken action such as you indicate." We received the statement from a source that we believed to be entirely trustworthy and well informed and published it, as well as the deductions we drew from it, in good faith. The statement was certainly current in Boston. It is only fair to the association that we should publish its denial and express our gratification that so worthy a body is not amenable to the charge made against it.

BROOM corn lines have been so hard to cover since the recent run of losses in Illinois that the trade has been seriously demoralized. Donaldson & Boal Brothers, of Sidney, Ohio, a firm of broom manufacturers using about 1,000 tons a year, want to lay in their stock for the season, but are unwilling to invest until they are sure that they can get insurance on it. They have laid the situation before the local agents, recalling their storage facilities, their long time in the trade and calling attention to the fact that four of the five fires this summer were on property belonging to the Union Broom Supply Company, with which they have no connection. The agents have passed this appeal on to the companies with their approval, and are asking for authorizations.

MANY Western Union companies are aggrieved over the outcome of their efforts to extend relief to the board agents at Springfield, Ill., where the Northwestern National has been carrying on a rate war for a year, and a number of agents are not reporting through the stamping office. The non-board companies offered to cut the rate on the city schools, and the executive committee of the Illinois State Board, being appealed to by the board agents, authorized a cut of 50 per cent. in the rates, provided the entire lines was placed in board companies. This was accepted, but some of the Union companies refused to take the business at the cut, and their agents brokered the lines with the non-board companies. As this violates the condition on which the reduction was granted, the whole deal may be called off.

THE annual convention of the State insurance department commissioners and superintendents takes place at Buffalo next week. The president elected last year was Commissioner O'Shaughnessy of Minnesota, and the vice-president Com-

missioner Scofield of Connecticut. The first is out of office and the second has decided not to attend the convention. Under these headless circumstances it is presumed that the secretary, Mr. Brinkerhoff, will call the meeting to order and ask the convention to elect a temporary presiding officer. The contingency of being without presiding officers in the future might be provided against by increasing the number of vice-presidents.

THE New England Insurance Exchange, last Saturday, in deference to the national affliction, refrained from holding its regular meeting, adjourning until to-day. At a special meeting of the Boston Board of Fire Underwriters, held Monday, a tribute to the late President McKinley was adopted, and it was voted to close all the offices on Thursday, the official day of mourning. Some of the mourning emblems in the Boston insurance district are of striking design, among them those on the buildings of the Mutual Life of New York and the New England Mutual Life on Post Office square, the fire insurance offices of Field & Cowles, John C. Paige & Co. and George O. Carpenter & Son, and also the office building in which the Employers' Liability's United States head office is domiciled.

THE policy of the new president of the National Association of Life Underwriters, Mr. W. D. Wyman, of Chicago, as to the local associations, is thus defined by our Chicago correspondent:

He does not think that they should try to be much more than social and educational organizations, getting the insurance men together in a fraternal and friendly way, rousing a spirit of comradeship and mutual assistance, and teaching them to observe professional comity for friendship's sake, if they cannot be made to see that anything else is bad business policy. He says that legislation has been tried and has been found useless, and compacts and pledges have accomplished little more. What they have failed to do good fellowship, closer acquaintance and the tie which comes from mutual association will do, if anything can do it. He cites Chicago as an illustration, for while conditions there are not ideal they are far ahead of what they used to be.

THE insurance quarter of New York was heavily clad in mourning this week, and from the buildings of the great British companies the British flag hung at half-mast sympathetically entwined with the Stars and Stripes. From the home office of the Commercial Union of London came to the American manager on Tuesday the following telegram: "Board to-day passed the following resolution: 'The chairman and directors express sincere sympathy with your board in your great national loss.'" Manager Dickson, of the Royal Exchange, also received over the cable the following from the home office of that company: "Express profound sympathy of the corporation at your country's loss. Whymper, Secretary." Manager Post also received a similar message from the general manager of the Caledonian.

THE Illinois Appellate Court in the appealed case of Fannie Schwartz against the Supreme Court of Honor, a fraternal order, September 11, held that a beneficiary cannot recover on a policy, provided it stipulates that it becomes void if the person insured dies by his own hand, sane or insane. The insured had a policy of $2,000, which contained the above condition. A coroner's jury found that he committed suicide by taking poison. A petit jury gave a verdict for the plaintiff for the full amount. The fraternal order appealed and the highest court reverses the judgment and rules that the appellant is not liable.

THE selection of Cincinnati as the next meeting place of the National Association of Life Underwriters was due to the active efforts of the delegation from that city, backed by many of their Western fellow delegates. Baltimore was its only serious opponent. It was in some respects a contest between the sections, but in view of the fact that the East had had the last three conventions, it was right that the next one should go West if the brethren there wanted it. An argument for Eastern cities has always been that a larger attendance can be secured for them.

THE entire industrial business of the Pacific Mutual Life insurance company of San Francisco was transferred on Saturday last to the Metropolitan Life insurance company. The consideration was $1,000,000. The industrial business of the Pacific Mutual Life was confined to the Pacific Coast, where the Metropolitan had recently opened a San Francisco industrial branch. The contract takes in $20,000,000 of business. The Pacific Mutual will continue its other branches.

IT is learned that Klayer, the Ætna's bogie man in Illinois had entered upon his wholesale campaign against that and other companies in such earnest that he had a thousand copies of his bill printed, citing all the law under which he brought his suits and leaving blank only the name of the company and the name of the agent. It made a nine page pamphlet, but the new wrinkle about costs may leave it a drug on his hands.

THE report for August of the Boston Manufacturers' Mutual Fire notes among the fires of the month one that caused a loss of about $12,000 in the mule room of the New England Cotton Yarn Company, at New Bedford. Much of the destruction of values was due to water damage, and the remark is made in the report: "This is a case where waterproof covers for cards would undoubtedly have saved 75 per cent. of the loss."

THE Provident Savings Life insurance company has purchased the property at 49 to 55 West Twenty-seventh street, New York, known as the Hotel Earlington, formerly the Hotel Gerlach, and secured an option on an abutting lot running through to Twenty-eighth street. The consideration for the Earlington was between $700,000 and $800,000.

ACCORDING to an informal opinion of the State Fire Marshal of Massachusetts, the explosion of an acetylene gas machine, which wrecked the house of James H. Means, at Manchester, Mass., on July 25, was entirely due to the negligence of the owner in not following the instructions of the J. B. Colt Company, which furnished the machine.

A SWINDLER in Cincinnati, operating under the name of William F. Penn, has been selling policies of the Central Ohio and Western insurance companies of Toledo, which have no existence. The Post Office Department has been working up the case and finally arrested Penn at Rockford, and he has been taken to Toledo for trial.

THE statement made by the United States branch of the Salamandra of St. Petersburg, Russia, to the New York Insurance Department shows an impairment of capital of $106,000. Superintendent Hendricks has issued a requisition on the company to make the impairment good.

THE legality of the Kentucky franchise tax on insurance companies will be tested in the courts, and a committee of the Western Union, composed of Barbee & Castleman, of the Royal; Cofran & Bissell, of the Hartford, and J. H. Lenehan, of the Phenix, has the matter in charge.

THE trouble between the Williamsburgh City Fire and the Texas Insurance Department about its affidavit has been fixed up without compromising the feelings of either party and the incident is "closed."

THE Agents' Association of the National Life insurance company of Vermont has published in pamphlet the address delivered before it at its annual meeting at Buffalo, N. Y.,

August 21, by Dr. A. B. Bisbee, medical director, on the subject of "The Bearing of Alcoholic Stimulants in Medical Selection in Life Insurance."

THE Massachusetts Mutual Fire Insurance Union will hold its annual meeting and banquet at the Maplewood Hotel, Pittsfield, Mass., next Wednesday, and on the Thursday following will enjoy a trolley outing to Dalton.

A SPECIAL meeting "to discuss certain important matters" has been called of the Ohio State and special fire insurance agents for Monday, October 7, at the Great Southern Hotel, Columbus, Ohio.

A NEW ORLEANS special to the *Journal of Commerce* says that the Southern insurance company of New Orleans has been examined by the Arkansas State Auditor and found to be impaired $40,000.

THE London *Sun* is printing correspondence under the title of "Is Fire Insurance Sinful?" This ought to be a taking title for a New York yellow.

MUNICIPAL fire insurance is to be tried by the little city of Okolona, Miss. The promoters of the scheme think that there is a lot of profit in it.

Personal

AGENCY APPOINTMENTS.

Dutchess of Poughkeepsie: Norris & McManus, Springfield, Mass.

Fidelity and Casualty: Clarence W. Thomas, special agent for Maryland and the District of Columbia.

Manchester Fire: F. S. McDaniel, special agent for Ohio, West Virginia and Tennessee, succeeding W. A. Reed, of Cleveland; C. F. Snyder, special agent for Indiana, has Kentucky added to his territory.

Pennsylvania Fire: Samuel G. Howe, special agent for New England.

Potomac: Donigan & Saunders, Lawrence, Mass.

Reading Fire: Gutte & Frank, of San Francisco, general managers for the Pacific Coast.

Union Central Life: W. A. Burt, New Bedford, Mass.

United States Health and Accident: H. G. Case, Haverhill, Mass.

Mr. Samuel G. Howe, for the past six years special agent for New England of the North British and Mercantile, will relinquish that position on October 1 and assume the same duties for the Pennsylvania Fire. The New England field work of the latter company has been hitherto taken care of by Messrs. George Neiley and J. J. Downey, special agents for New England of the Royal, both companies being represented by the Field & Cowles agency, of Boston. Thus, for the first time in many years the Pennsylvania Fire will have a New England special entirely its own.

Mr. H. H. Friedly, superintendent of the Western loss department of the Royal in Chicago, has resigned to accept the Indiana State agency of the Insurance Company of North America, with headquarters at Indianapolis.

Mr. John J. Gaffney, formerly of the Metropolitan, Prudential and other companies, is now Western Massachusetts manager for the Bankers Life of New York, with headquarters at Springfield.

Mr. Edwin Eldred, one of the oldest fire underwriters of Worcester, Mass., died there September 13, aged eighty-three years. He had been in the business many years.

Miscellany.

Death of James G. Batterson.

James Goodwin Batterson, president of the Travelers insurance company of Hartford, died at his residence in that city on Wednesday morning at 1:30 o'clock, after an illness of several weeks. He had not permitted himself to stay at home during this period, however. With indomitable energy he persisted in going to his office frequently and was there as late as Wednesday of last week. He overtaxed his strength on that occasion and alarming symptoms set in the same night, after which he sank gradually and peacefully. The immediate cause of his death was heart failure. He was seventy-eight years old. The following sketch of Mr. Batterson's life is condensed from the Hartford *Times*:

James Goodwin Batterson was born in "Wintonbury," near Bloomfield, February 23, 1823. At an early age he removed with his family to New Preston, in Litchfield County, where he resided until his sixteenth year, when he went to Ithaca, N. Y., as an apprentice in the printing house of Mack, Andrus & Woodruff. The ambition of the youthful apprentice had been to fit himself for college, and while a resident of New Preston he had studied diligently with that end in view. While mastering the printer's trade at Ithaca he followed up at odd moments the hints to study and mental culture that the book business naturally gave to a mind largely receptive and retentive of all educational branches. From the printer's office at Ithaca he returned to New Preston and soon thereafter to Litchfield, joining his father in business, that of a marble cutter and dealer. Later, he entered the office of Judge Origen S. Seymour, a prominent Connecticut jurist and barrister of that day.

But the necessity for gaining a livelihood once more became pressing, and the youth finally, though reluctantly, abandoned his ambition for the law, and again entered his father's business. For five years father and son labored together at Litchfield. Then, seeking a wider field and greater opportunities, they came to Hartford, which city has since remained Mr. Batterson's home. From a small beginning, which included only the erection of monuments and other cemetery work, the business grew constantly and developed into the construction of buildings, not only in Hartford, but all over the country, the construction of some of the finest structures in the United States being the work of Mr. Batterson's firm.

Combined with his perfect knowledge of building, Mr. Batterson was an accomplished geologist, and brought to every enterprise to which he devoted his abilities that wide range of investigation into all branches of geology that his years of study, experience and research afforded him.

The winter of 1858 and 1859 Mr. Batterson spent in Egypt with Brunel, the well-known engineer. The geological study of the Nile Valley, with particular attention to the unsolved problems in engineering for which Egypt is noted, became very interesting in such company. In turn, the Pyramids, the great ruins of Thebes and Karnak, and elsewhere the tombs, the catacombs, obelisks, etc., were all studied with profitable results. Aside from the impetus given the engineering instincts under such unusual conditions, Egypt herself became a subject of engrossing interest to Mr. Batterson, which increased as years of study deepened his knowledge, until he stood among the foremost authorities in Egyptology, and he was an honorary secretary of the Egypt Exploration Fund.

Mr. Batterson was a traveler to an extent seldom permitted an active man.

While abroad a second time in 1863 Mr. Batterson was impressed with the system of railway passengers' assurance in England, and upon his return to the United States he organized the Travelers insurance company of Hartford. The idea was ridiculed as visionary, and Mr. Batterson was made the object of much commiseration by his acquaintances. But time vindicated his judgment. Since its establishment, to the time of his death, Mr. Batterson was president of the company, now recognized as one of the strongest in the land.

The charter was secured from the Legislature in 1864, so that the company was permitted to embark in the several branches of accident insurance. In 1866 the charter was so amended as to permit the transaction of a general life insurance business. Mr. Batterson may justly be called "the father of all accident insurance."

The first premium received by the Travelers was 2 cents, representing the charge for insuring a Hartford banker on his journey home from the post office. A recent premium in the life department exceeded $50,000, and a still further example of the growth during these thirty-eight years is in the receipt of an application for $300,000 on a single life, where originally but $10,000 would be considered. Under Mr. Batterson's guidance the Travelers has grown from nothing to a company with assets of $32,198,504.44 and a surplus security to policy-holders of $4,698,785.19. The capital stock has been increased from $250,000 to $1,000,000 and during these years over $42,000,000 has been returned to policy-holders.

Mr. Batterson was a member of numerous scientific bodies and patriotic, Masonic and social organizations, a bank director and director of a large printing house, but the responsibilities and ex-

actions of marble and insurance business did not wholly occupy his time, nor hold his entire interest. Never idle, rarely seeking recreation, Mr. Batterson devoted what small part of his time could be spared from his business to the pursuit of the classics, bringing to the study of the best in literature a discriminating taste and a rare mentality. An ardent and earnest student of Greek, Latin, Italian, French and Spanish, he was a connoisseur of the masterpieces of the best to be found in the poetry, romance and philosophy of the writers whose work has made them world famous. Mr. Batterson was a great lover of Homer, Virgil and Horace, and much of the "Iliad" he translated into English, accurately preserving the meter and meaning of the original.

So eminent a Greek scholar was Mr. Batterson that he was elected a member of the exclusive Greek Club, of New York city, one of the most prominent organizations of the kind in the world.

But Mr. Batterson's writings and literary studies were not confined alone to the classics. He was a writer of force and influence on topics having a bearing upon the practical affairs of the day. Especially noteworthy are his contributions on the controversies between capital and labor, and he had given special attention and investigation to the question of taxation, of which he wrote exhaustively and comprehensively.

But prose did not exhaust all Mr. Batterson's talents in writing. He possessed to a considerable extent the ability to write graceful and tasteful poetry, among the most notable of his poems being "The Death of the Bison," "The Trysting Place" and "Lauda Zion." Still more extensive a literary production was his work, "Creation," a poem in blank verse, which he produced quite recently.

In public gatherings Mr. Batterson was an effective speaker. He was one of the organizers of the Republican party, and during the war he served as chairman of the Republican State Central Committee. He was never a candidate for public office.

Yale University honored Mr. Batterson with the degree of M. A. at the suggestion of his friend, Dr. Bushnell. Williams College gave him the same degree. Mr. Batterson was a trustee of Brown University and a consistent member of the Baptist Church. He was also a member of the Society for Biblical Exegesis.

Mr. Batterson had a singularly happy home life. He married Eunice Elizabeth, daughter of Jonathan Goodwin, Esq., of Hartford, in 1851, and two children of the union survive. They are James G. Batterson, Jr., of New York, vice-president of the New England Granite Works, and Mary Elizabeth, wife of Charles Coffin Beach, M. D. A daughter, Clara Jeanette, died in Hartford in 1868.

The funeral services will be held at Mr. Batterson's home at Hartford this afternoon at 2 o'clock.

Report of the Examiner of the Iowa Insurance Department of an Examination of the Mutual Reserve Fund Life Association.

The following report has been made by Max Beehler to Auditor Merriam, of Iowa, of an examination recently made of the Mutual Reserve Fund Life Association:

NEW YORK, September 7, 1901.

Hon. Frank F. Merriam, Auditor of State, Des Moines, Ia.:

DEAR SIR—I beg to advise you that the examination of the Mutual Reserve Fund Life Association of New York in pursuance to your instructions is completed. As the result of said examination and verification, I find the annual statement of the Mutual Reserve Fund Life Association for the year 1900 (a copy of which and other sundry papers are enclosed herewith) to be correct; that their assets, liabilities and insurance account are as set forth in said annual statement, and therefore the association has, after deducting all liabilities as stated, the surplus claimed by it. I also find that the association is paying its losses in accordance with the terms of its contracts and charter.

In this examination I also beg to advise you that I went carefully into the details of the matters which were referred to in my previous preliminary report and find that the checks mentioned in that report were all issued strictly in accordance with the authority vested in the executive officers, said authority being a matter of record, and that the ones about which I raised a question were checks transferring moneys from one account to another.

The contract of reinsurance made between the Northwestern Life Assurance Company of Chicago, Ill., a year ago and the proceedings by which the same was ratified by the members of the Northwestern have been declared by the Illinois Court to be valid and in accordance with law.

The work of this examination has been considerably expedited by the manner in which the records of the association are now kept, and of the general assistance rendered me by both executives and employees of the association. Respectfully submitted,

(Signed) M. BEEHLER, Examiner.

Action of the New York Board of Fire Underwriters on the Death of President McKinley.

At the meeting of the New York Board of Fire Underwriters on Wednesday the regular proceedings were suspended in order to take official action upon the death of President McKinley. Mr. Marshall S. Driggs, vice-president of the board, was in the chair, and in introducing the subject he said:

We meet to-day under the shadow of a great affliction, for there is not a hamlet in all our broad land where "the voice of lamentation and weeping is not heard" because of the untimely death of the beloved President of the United States. This board deeply shares in the universal bereavement, and while we mingle our tears with all who weep, it is most fitting that we should make suitable expression of the emotion of our hearts touching the great crime by which this nation has been so sorely bereft. When death invades our homes it leaves us crushed and disconsolate, but in this present affliction our grief is made bitter by the shame that this fair land of ours should have fed, sheltered and protected one so vicious as to slay a good man for no other reason than that he was the representative of a government, the freest and most beneficent in all the earth. It is incomprehensible that a poor man, above all others, should wish the destruction of a government which is pre-eminently the government of the common people.

David was taken from the sheep-cote to be ruler over Israel, and it has been the pleasure of this mighty Republic to raise to the highest earthly dignity men who for the most part were born in poverty and cradled in adversity. We are afflicted, but not dismayed. The spirit of anarchy is nothing new Ages ago there were "despisers of government, not afraid to speak evil of dignities," "traitors, covetous, unthankful, without natural affection and haters of them that do good." Our faith is in God, and as He makes the wrath of men to praise Him, so we may hope that out of this overwhelming calamity great good may ultimately come, and that it may be the mission of this mighty nation of freemen to devise such measures as will work for the destruction in this land, and in all lands, of the pestilential heresy that wars against the peace, safey and security of all organized society. We are thankful for the manifestation of such a life as that of William McKinley. His name will shine with increasing lustre upon the page of American history. His eminent public services, the exaltation of his character and the purity and sweetness of his social and domestic life have commanded the admiration, reverence and affection of all true men.

RESOLUTIONS ADOPTED.

Mr. F. C. Moore, president of the Continental insurance company, offered the following preamble and resolutions:

Whereas, William McKinley, President of the United States, while discharging with exceptional fidelity, ability and wisdom the duties of his high office as Chief Magistrate, has been stricken down by the hand of an assassin; and,

Whereas, We believe his murderer was incited to his evil deed by the teachings of journals which, by holding him up to ridicule and misrepresentation, have led a vicious class to think that he was the enemy of the poor, instead of being, as he was, the faithful representative of all classes; therefore, be it

Resolved, That in the death of William McKinley the American people have lost a President who was a model of administrative and executive ability and a shining example of noble manhood. His elevation to the position which subjected him to the scrutiny of the world failed to reveal faults in his administration as a ruler, or defects in his character as a man, and served only to bring into greater prominence those conspicuous

traits and talents which have won for him a place in history as the defender of his country in time of war and its guide and adviser in time of peace.

We hold that in a land in which the ruler gets his powers from the consent of the governed the anarchist can have no logical grievance, and the fact that such a President has been stricken down by these enemies of mankind demonstrates that they should be excluded from the territory and protection of a Government in which they openly proclaim they do not believe.

We hold that a venal press which ridicules and vilifies a faithful magistrate, who is the choice of all citizens—as well those who oppose his election as those who vote for him, through the operation of their own law of election and choice—insults not him alone, but the sovereign people whose representative he is, and we deplore a condition of society which permits such license to culminate in this great tragedy of the century.

In order that we may not as a nation lose the lesson involved in this costly sacrifice, we urge upon our legislatures and upon Congress the enactment of laws which shall exclude anarchists from our land as the avowed enemies of organized government and established order, and aliens alike to the laws of God and of man.

We appeal to our brothers of the daily press—so powerful for good, so potential for harm—to do what they so well can to correct this condition as a duty they owe to their country and to humanity, by advocating a truer citizenship, which shall respect the powers that be as ordained of God.

Resolved, That to him who, in the fullness of a sturdy manhood, of tested ability and proven courage, succeeds to the office made vacant by death we pledge our full confidence and loyal support. We rejoice that the succession is thus provided for by a constitutional provision which insures fitness for the office beyond what would be the possibilities of succession by heredity, and demonstrates the soundness of the theory of our government, which defeats any violent attempt of anarchy to suspend or interfere with its functions.

Lastly, for her whose burden of sorrow is the most grievous of all in her desolation our hearts are filled with a pity we cannot express. Our love and our sympathy go with her on her weary pilgrimage to that narrow gateway, through which, at last, she must pass to her illustrious husband in the better land, where the wicked cease from troubling and the weary are at rest.

TRIBUTE BY MR. EATON.

Mr. Henry W. Eaton, United States branch manager of the Liverpool and London and Globe insurance company, in seconding the resolutions, said:

I feel very deeply on this sorrowful subject, and, fortunately for me, it is one requiring very few words. With the shot fired at Buffalo political differences and heartburnings were banished, and the eyes of men were opened to the loss sustained. It was seen that the stricken man was not merely the friend of all of this country, but of all peoples; that he was just and kindly; a patriot in every sense of the word; a partisan only in the honest convictions he entertained that the measures of his party were calculated to build up his country and bring to its people contentment and abundant prosperity.

We can all recall the singular patience with which his negotiations with Spain were conducted prior to the final arbitration of the sword after every possible effort for peace had been exhausted. We know with what consistent effort cordial relations between the two great English-speaking nations have been fostered, so that never before since the violent separation in the eighteenth century have they been so close, and for this our late President has been mainly responsible. And to-day the two nations mourn with equal feeling his untimely end. And then our minds may well rest on the last scene of all—the dignity and peace of his departure from us.

And if we look at the concluding words spoken at Buffalo the day before the catastrophe, they may be considered as especially fitting if regarded as the farewell address of our friend to the American public:

"Let us ever remember that our interest is in concord, not conflict; and that our real eminence rests in the victories of peace, not those of war. We hope that all who are represented here may be moved to higher and nobler effort for their own and the world's good. Our earnest prayer is that God will graciously vouchsafe prosperity, happiness and peace to all our neighbors, and like blessings to all peoples and powers of earth."

Such words as these can only have come from the mind of a man filled with charity and possessed of a rare and lofty understanding. They will be cherished proudly by all akin to him. They deserve to have an enduring place amid our national monuments, and so live in the minds of men to the end of time.

The resolutions were unanimously adopted by a rising vote.

NATIONAL ASSOCIATION OF LIFE UNDERWRITERS.

Additional Matter Connected with the Convention of Last Week.

We print additional papers and addresses connected with the twelfth annual meeting of the National Association of Life Underwriters, which was held at Portland, Me., from Wednesday to Friday of last week.

VICE-PRESIDENT HYDE'S ADDRESS.

The following is the address which was prepared by Vice-President James H. Hyde, to be delivered at this meeting. Mr. Hyde was prevented from being present by illness. The subject of the address was "Life Assurance as a Profession":

As a preface to the address President Register said: "Mr. Hyde represents one of those instances too rare in American life, where the scion of historic stock continues to make history and add new lustre to a name long distinguished. His grandfather was the premier agent of his day. His father was the life insurance genius and the mantle of such greatness is modestly but worthily worn by the grandson." The address was as follows:

As the world grows older, and its unoccupied fields grow narrower, the choice of a profession becomes an increasingly difficult problem. Every year there flows into the arena of human activity a vast and surging throng of those who seek employment. From millions of homes, scattered over our vast domain, and from foreign lands as well, with or without preparation, the seekers for work press into every kind of occupation, and compete with each other for every possible opening. In fairly well settled communities the demand for labor has increased faster than the demand for laborers. In such communities, therefore, the pressure for work becomes more severe from year to year. The avenues which lead to competence and distinction are more and more thronged. It is increasingly difficult for the beginner to obtain entrance to them; and even after such an opportunity is achieved the period of struggle before even a very moderate success can be attained becomes more and more prolonged. It may be true that "there is always room at the top," but it is true only because few can ever get there. The great majority never succeed in doing so, and spend their lives in the mere avoidance of complete failure. Many cannot even accomplish this, and sink beneath the surface.

As the severity of these conditions increases there arises at length the impulse to migrate to less fully developed regions, in which the opportunities for enterprising manhood are usually greater. This resource has played a most prominent part in the world's history. It was the basis of Horace Greeley's famous saying, "Go West, young man!" which was better advice when given than it would be now, and is better now than it will be fifty years hence. In the first half of the eighteenth century, Bishop Berkeley, writing on the "Prospect of Planting Arts and Learning in America," penned the oft quoted lines:

> Westward the course of empire takes its way;
> The four first acts already past,
> A fifth shall close the drama with the day;
> Time's noblest offering is the last.

Bishop Berkeley did not foresee the opening up of Africa, where all the diplomacy of Europe will fight to a finish, to the needs of civilization; but he rightly regarded the resource of migration, in search of increased opportunity to work, as in its nature, only temporary. It is even now less available than formerly, and within a moderate time must cease to be an important factor.

To what source, then, must we look to find a substitute for migration?

Fortunately another influence is at work in this direction, has already become prominent, and is developing so rapidly as to promise to more than make up for the decline in the availability of migration, and that is the multiplication of wants accompanying the advance of civilization and the stupendous march of science, and the consequent increase of occupations necessary to supply them.

Inventions of machinery threw many out of employment, but then stimulated and developed industries dependent upon machinery which gave employment to many more. The discovery

of steam power led to the enormous development of transportation by railroads and by steamships, and gave employment to multitudes. The more recent development of electricity as a motive power, resulting in systems of electric lighting, trolley lines, &c., has brought employment to other great multitudes. The blood-letting of the mediaeval barber has developed into the highly scientific surgery of to-day; the rough and simple practices of the country surveyor and local constructor, into the marvelous skill and accuracy of the civil engineer; the simple resources of the workman, into the complicated but wonderfully efficient devices of the mechanical or marine engineer. Medicine, engineering, law and instruction have developed a number of specialties, which increase the opportunities open to those who enter these professions. Dentistry, stenography, typewriting and nursing are comparatively recent occupations.

Among the remarkable developments of modern civilization one of the greatest is life assurance. Akin in magnitude to the application of steam and electricity, its growth has been astonishing during the last fifty or sixty years; and like them it has been the means of furnishing multitudes of employees with useful work. Originating as an application of the mathematical theory of probabilities to observations on the duration of human life, it has repaid its obligations to that science by creating an extended field and making a sure demand for the services of a new and important profession—that of the actuary. It has also practically developed a new specialty in the medical profession, that of the medical examiner; and has contributed to the formation of a new department of law, the law of insurance. And it is time for us to recognize that it is now developing another new profession, far wider in extent, namely, that of the life assurance solicitor.

In the early days, while the plans of assurance were few and simple, no great capacity nor education were required of its agents, and their occupation did not stand very high in the regard of the public. Many men took it up chiefly because they had failed to make a success at anything else. Few who thought that they could succeed in any of the well recognized professions were willing to give their time to it, except as a mere adjunct to their principal business. The general average was low. Common sence and tact were so often lacking that the very name of life assurance agent became a by-word for an unwelcome visitor. It speaks well for the innate merits of life assurance that it was able to grow even when it was so poorly served.

But it did grow both in magnitude and in the extension and variety of its plans; and with its growth the requirements and dignity of its advocates increased. The great possibilities that lay in the path of a capable agent began to be perceived. Ability was on the one hand required, and on the other hand attracted, and was suitably compensated. Unfortunately it was not always honorable ability that sought the prizes. The "Lightning Special" appeared and for a time flourished, but his prosperous career was brief. The value of integrity and high character is now recognized. What was once merely an occupation in this age of specialization has developed into an important and highly respected profession, of which you, ladies and gentlemen, are distinguished members. I solicit your kind attention to some thoughts concerning this new profession which you so ably represent.

That we are fully justified in ranking this occupation as in truth a profession appears from various considerations, in which it is compared with other professions and shown to share in as many of their characteristics as any two of them share with each other.

The character of the work is eminently mental. Success depends not upon brute strength, nor rugged endurance, nor yet upon that kind of mental quality which develops manual or other physical skill. Real success of an honorable kind depends altogether upon a high grade of mental ability, a keen insight into the complexities of human character, a ready and correct perception of individual idiosyncrasies, good judgment and fine tact, and that delicate but powerful quality which has been called magnetism. In this respect the life assurance solicitor approaches very nearly the clergyman. It is the peculiar province of each to impress himself upon others, to make his superior knowledge and realization of truth effective in guiding and molding the action of others. In these respects also his work resembles that of the teacher or the lawyer.

Like the other professions the practice of life assurance does not require much pecuniary capital. It may be favorably entered upon with even less outlay than is required for medicine, law, theology, engineering or teaching.

Nevertheless, like some of the other professions, it is capable of a business extension and legitimate alliance with capital which greatly increases its possible pecuniary rewards and influence. The solicitor who feels that he has business capacity which does not find full scope for its use in his personal efforts may readily enlarge his sphere of action. What a boarding school accomplishes for the teacher, and the private hospital for the physician, the organization and superintendence of a great general agency accomplishes for the life assurance solicitor. In this field the ablest men in the profession have found full scope and reward for their highest capabilities.

One of the attractive features of certain professions, such as theology, medicine, teaching and sometimes law, is the close and enduring personal ties to which they lead. The life assurance solicitor should claim his full share in this advantage. He should always remember that the generation which he is now helping to protect will be in large part transformed into the applicants of a future period. He should steadily look to permanence of position and employment, to the confidence of his "assured," based on past experience, and to a succession of his personal relations from parents to children. To this end, as well as from a higher motive, when he finds a new "prospect" he should not regard it as covering the whole field of his duty merely to sell him as large a policy as he can. The plans of assurance are now so varied, and some of them so complicated, that the public needs skilled guidance. It should be the steady aim of the agent conscientiously to meet this need. By the very act of solicitation he has offered himself as skilled adviser; and he is as much bound to give the best advice he can as the physician is to his patient or the lawyer to his client. He should not suffer himself to be blinded by what may seem to him to be his own personal immediate interest into trying to sell the policy which brings him the largest commission. He should identify himself with the applicant and his dependents, and should take a pride in his own professional position. It should be his single aim to sell the policy which in the lapse of time will best approve the wisdom and honesty of his advice. It goes without saying that he should be fully competent by his thorough familiarity with the subject, and by the soundness of his judgment, to select wisely for the applicant; and by his persuasive, tactful and forceful reasoning powers to carry his advice into effect.

As the clergyman cares for the moral welfare of his flock, and the physician for the bodily health of his patients, so the life assurance agent should acquire a permanent professional position in relation to his policyholders and their families, as their skilled adviser in all matters pertaining to a secure provision for helpless dependency, or the infirmity of advanced age. He thus becomes in one department the personal friend and the confidential and trusted family adviser, as the clergyman and the physician do in other departments. Nor are his opportunities less than theirs. In the settlement of claims he finds an entrance to the hearts of those with whom he deals. Many of them will never forget the sympathizing friend whose counsel followed in earlier days proved so wise, and who brings them succor in their time of bereavement. Respect and affection gradually won in the family expand at length into influence in the community. As he grows older the life assurance agent becomes a man of note. The benevolence inbred by the honorable practice of his profession makes everyone regard him as a friend. He lives in honor among his neighbors; and, having practiced what he preached, dies in peace.

Do you say that this is an ideal picture? I admit it, but maintain that it is not impossible of attainment. Indeed it still falls short of the loftiest view of the profession. For life assurance, like other professions, not only furnishes opportunity for pecuniary rewards, but it also supplies a lofty motive in the character of the results that it accomplishes, in the satisfaction felt that the worker is a power for good, that he is useful, not only to himself and his family, but in so high a degree also to the community. His chief satisfaction should be, not in the pecuniary success, nor yet in his position of respect and influence, but in the immense contribution which he has made to the welfare and happiness of others. It is well worth while for him to dwell upon this subject, for an intelligent and enthusiastic realization of the truth brings great energy, influence and power.

On the other hand, a failure to comprehend the moral force of his profession, even in the case of an honorable agent, easily tends to an apologetic attitude and the habit of soliciting as though one were asking a favor, which is destructive of professional self-respect and most injurious to success.

This fault—to be avoided in any profession—is especially noxious in that of life assurance, whose very essence lies in the power to convince and influence others, a power which it directly attacks.

The agent also may still occasionally encounter the effort to hold him at a low level—a remnant from the time when its ad-

vocates were not so respected as they are now. This should be met, not by irritable self-assertion, but by calm dignity, which is wonderfully aided by an earnest realization of the high and beneficent character of the work in which he is engaged and deserves to succeed in.

If the life assurance agent not only fails in such realization, but is also not restrained by personal principle from dishonorable practices, the result is melancholy. He becomes a double dealer, faithless in his obligations, both to his company and to the applicant, degrading himself and dishonoring his calling. Of life assurance it may aptly be said, as it has been said of medicine, that "It is the noblest of professions, but the vilest of trades."

To the young man just entering upon active life the profession of life assurance offers opportunities quite comparable to those of other professions and well worthy of consideration. None of the others require less capital to begin; as, for the present at least, a support may be earned while skill is being acquired by practice and example. It is less crowded for the present than some of the others. Advertisements for life assurance solicitors are not uncommon, but how seldom do we hear of an advertisement for a doctor or a lawyer! The field for workers in life assurance is not so well covered as that open to other professions. There is, for the present at least, enough demand for laborers in this field to ensure a fair opportunity for the trial of one's abilities, usually with the advice, example and moral support of those who have already won their spurs in it.

To those who have perseverance, constancy of purpose and even only moderate capacity some success usually comes without unreasonable delay, such as is often encountered in other professions, and with practice the initial difficulties gradually decrease. Those who have the capacity for marked success generally attain it more quickly than in other professions. Not infrequently a markedly successful beginning has been made in life assurance in less time than it would take to qualify for entrance into law, medicine, engineering, theology or teaching. And examples are very numerous of brilliant success attained in a very short interval; of seemingly unpromising fields of labor suddenly transformed into very fruitful ones, and of great improvement of means and large income speedily following the adoption of the profession.

In one respect there is an advantage over other professions, in that the responsibility of errors is less. The clergyman who errs in his public teaching or private influence may accomplish great and lasting evil, the physician who errs in his diagnosis may have to reproach himself for the loss of a life which might have been saved but for his error. But the conscientious life assurance solicitor is little liable to do harm, and is almost sure to do some good. His mistakes do not usually lead to direct evil, but only to the accomplishment of less good. The most that he is likely to have to regret is neglect of opportunity until it is too late to avail himself of it, and all that he needs to avoid this is due alertness and diligence.

Like the other professions which were formerly entered without special college preparation, life assurance does not require it; but it already looks as if ultimately such preparation may enlarge the scope of the profession and give it academic endorsement. It is to-day accepted by many as one of the learned professions. It will probably not be long before it will be universally recognized as such; and the profession of life assurance will take its proper place and be classed with that of the ministry, of medicine and of law.

THE PRIZE ESSAYS.

The prize essays were awarded by the judges (President Faunce of Brown University, President Raymond of Union College, and Dr. J. S. Bloomingston) to George H. Wilkins, of Springfield, Mass., representative of the National Life of Vermont, as winner of the Calef Loving Cup, and E. O. Sutton, of Springfield, Mass., representative of the Mutual Life of New York, winner of the Ben Williams Vase. Henry K. Simons, of Springfield, Mass., a representative of the Equitable Life, received honorable mention. The subject of the essays was "The Influence of Life Insurance on Character."

The Calef Loving Cup was presented to Mr. Wilkins by the Hon. John W. Vrooman, of New York, with the following accompanying speech:

To perform the pleasant duty of presenting this loving cup to the successful contestant, your committee wisely selected a person from the family of the honored father of this association. The present severe illness of Colonel Ransom has brought that family under the shadow of deep anxiety, but let us hope and pray that it may not be followed by the cloud of supreme sorrow.

In the enforced absence of Miss Ransom, our president has requested me to make the presentation. I thank him for the courtesy and beg your attention for a few minutes while I speak some earnest words not of formality but of fraternity.

Before we consider the excellent essay and compliment its able author, let us give a moment to appreciative remembrance of him who made this presentation possible—the noble, patriotic Ben Calef. This loving cup represents something more than mere intrinsic value. It represents a man who bravely fought for his country in its hour of peril, who believed in protecting the home and who lived and labored for the betterment of all the people. His conspicuous service in war and his helpful influence in peace stand out as object lessons of that nobility of character which not only reflects the glory but accepts the responsibility of living in this grand republic. As we pause to express our sorrow as an association that Ben Calef is not with us to-day, that life's opportunities with him are ended, let us pay him a tribute of respect by cherishing the consoling thought that "the record of a generous life runs like a vine around the memory of our dead and every sweet, unselfish act is now a perfumed flower."

A selfish person would never have taken the trouble to plan the giving of this cup to one of our members as an incentive to stimulate our efforts and elevate our business. May we never forget the large-hearted donor who gave with this substantial token the priceless addition of his personality, his patriotism, his love for this association and the gigantic business it represents. I think the poet must have had Colonel Ransom and Ben Calef, or persons just like them, in mind when he wrote:

> Not what we give, but what we share,
> For the gift, without the giver, is bare.

Mr. President, I make no apology for thus referring, briefly but feelingly, to our faithful friend, Colonel Ransom, now very ill, and to our departed friend, Major Ben Calef. I believe their unselfish and untiring efforts in the beginning and in the building up of our associations should teach us and those who come after us to always regard them as a heritage to be jealously protected and preserved. To this end no one thing conduces more to keep our national association alive and strong than healthy competition among our wide-awake representatives that will give birth from year to year to practical essays such as have been presented to the committees and form a valuable part in our proceedings.

We heartily congratulate you as the author of one of these essays, and as a token of our appreciation of its value I am commissioned to present this loving cup with the kindly greetings of the national association, coupled with the best wishes for your continued success and usefulness. You are to be doubly congratulated, for your prize essay will make a part of the record of our first convention held in the twentieth century, and let us thank God that we are permitted to be living witnesses of its grand opening. The life of to-day is richly worth the living. It surpasses the dreams of an Aladdin because of opportunities never equaled; but it also bears responsibilities which have never been so great.

This is truly the most wonderful age in all the world's history. It is golden; it is electric; it is critical; it is heroic.

A golden age? Yes! for I repeat that the opportunities afforded the men of to-day have never been equaled. Some one seeking a business connection asked if there was any opportunity in a certain town. The reply quickly came. "Opportunity? It is all opportunity." So, wherever we go, from one end of this broad land to the other, a man of character is given every opportunity to succeed in every honorable undertaking, and these golden days of usefulness are made brighter by the influence of such associations as ours and such essays as yours.

An electric age? Yes! for now as never before our lives are one whirl of action, where good deeds now count and good words now cheer; where acts and not theories are demanded in our everyday work. The past is behind us and may not satisfy; the future is beyond us and may not materialize; we live in the electric and eternal now!

A critical age? Yes! for now as never before the searchlight of public opinion and the ever alert newspaper bring to the world's gaze from any cloud, however thick, from any darkness, however deep, the words and the deeds of ourselves and our fellows. We rejoice that it is so, because it molds

our characters and teaches us in business and in private life to carefully strive to be honest and upright before God and man.

An heroic age? Yes! and this is best of all, for, thank Heaven, full and equal chance is given every man in this country in these stirring times to be a recognized leader in every good cause, a real hero in the battle of life. Here we have no actual distinction of class and mass; here no aristocracy or other mark of favoritism save that of merit; here the same opportunity for fame and fortune is offered every honest man, regardless of birth, position or estate, if he only possesses a clean character, combined with a capital of push and pluck and can display a coat of arms of grit and grace. We must be careful, however, not to measure manhood by the mere accumulation of money. Such a measure would be a false one Let us pray for a continuation always of that proper measure of American manhood—appreciation of mental worth and moral integrity. And let us further pray that every citizen may be ambitious to add to his name the proudest and noblest title that can be conferred upon any person—a Christian gentleman. That title will serve one and all of our representatives as a good introduction to the best business house, to the most palatial home, as well as to the great body of men comprising the bone and sinew of this republic—the plain people.

We sometimes circumscribe the word hero by giving it a definition that belongs only to the warrior, but we know there are heroes no less in peace than in war. The man who labors to protect the widow and children from want is truly a hero, because he helps another. Doing one's duty in the home, in the social circle, in the political or business world may merit as much praise as the deeds of valor of a soldier or sailor Who shall say that our friends who have felt it a duty to help build character by preparing the essays presented to this association are not heroes in the battle of business life? A thoughtless person may say that life insurance soliciting is duty in the direction of selfishness because it yields some profit to the agent; so it does and so it ought; but beyond that and better than that it yields the larger profit to the family, secures added comfort to the home and results in bringing satisfaction to the agent, that is not born of selfishness.

Mr. President, the proceedings of this hour will be idle, its lesson will be lost, the essay will be forgotten, the loving cup will not remain even in memory, if we fail to permanently profit by the object which brought us here, and for which we labor—that of doing good to others. To this end the practical words of our friend will be of great value to insurance workers and strengthen our association. Glad that I am commissioned to present this substantial token to you and to congratulate you upon your thoughtful and helpful paper. It seems to me, however, that you are entitled to receive more than formal congratulations, more than the mere presentation of this token; because back of your paper I discover not only the friendly hand that penned it but the noble heart that conceived it.

Mr. President, there has never been a time when character counted for more than it does to-day. A life of noble character, full of sympathy, working on a high level, will bring wealth that comes as the reward of usefulness and fame that comes from noble service. These thoughts find expression in the forceful suggestions of our friend and I trust they may be an incentive for him and for us to zealously labor during the coming year not only to promote the welfare of our national and State associations, but particularly to help and strengthen and encourage the individual agent. God grant we may not forget in furthering this work that the personal example of a clean, strong character is always demanded from everyone as the first consideration of success and usefulness in life work

In conclusion I earnestly hope that we may be greatly profited by the practical advice contained in the essay, always remembering that good conduct and upright motives count in the making up of our character, and with this in view may we receive inspiration from the life of the giver of the cup, as well as from the words of the receiver of the cup. Oh! may we live and labor to promote good fellowship, to help our association, to protect home and please God. And now as an earnest of our appreciation of the essay, let us with this cup and with this sentiment pledge each to the other:

To live for those who love me,
And for those who hold me true;
For the Heaven that smiles above me,
And awaits my spirit, too.
For the right that needs assistance,
For the wrong that needs resistance,
For the future in the distance,
And the good that I can do.

THE CALEF CUP ESSAY.

Mr. Wilkins' essay was as follows:

Character has been defined as that which a man is as distinguished from reputation, which is what the world believes him to be. That character as thus defined is affected by association and environment; that it is elevated and strengthened by the practice of the virtues and weakened and debased by indulgence in vice are axioms. That character is materially influenced by social customs and business practices is equally well known, although their effect is not in every case so speedily determined.

Among the institutions of the modern business world which are worthy of consideration as exerting an influence on character life insurance, with its millions of patrons, occupies a prominent place.

Human character in its passive or embryotic state has in all ages been essentially the same, while the agencies that have been influential in its development have passed through periods of evolution, presenting to one generation of men phases entirely unknown to those who preceded it.

The influence of life insurance on character is a question to which the opening of the twentieth century will give a more comprehensive answer than would the beginning of the nineteenth and a radically different one than would the initial year of the eighteenth. A system of finance engaging the attention of the brightest minds of our times, founded on principles so accurate in detail as to rival the very laws of the universe; a system by which the humble mechanic of 1901 may from a slender income with the utmost security make provision for his dependent ones or his own declining years, exerts a far different influence than did the game of chance in which the Hebrew usurer of the seventeenth century laid a wager with a royal spendthrift on the duration of the latter's life or gambled on the early demise of a gouty lord.

But even in the early days, before a knowledge of the laws of average and the compiling of the tables of mortality had rescued the practice of insuring lives from the hands of gamesters and unscrupulous money brokers, the vital principle of life insurance, the mutual dependence of mankind, had found exemplification in the co-operation of the friendly societies. Men were led to compute their individual worth and obligation to society, and life insurance furnished a means of meeting the obligation. The details of execution which were then proved imperfect were improved by time and experience, and the germ was planted from which the sunshine and storm of succeeding centuries produced the massive tree.

If we turn from the early attempts of the Old World to a consideration of life insurance in our own country we find that the past century easily spans the period of its active influence, and fifty years carries us back to a time when its relation to public affairs was so insignificant as to make its influence scarcely perceptible on the masses. The last half of the century has, however, witnessed such a phenomenal growth as to astonish the world and furnish us with a field of observation from which we may arrive at reasonably definite conclusions.

It is doubtful if in any department of human activity moral sentiment and sound business have been found in closer union than has been the case in the progress of regular life insurance in the last fifty years. Although primarily instituted from business motives, the objects to be attained have been of such moral tone and so noble and philanthropic in character as to place life insurance on a plane with religion in its elevating influence on character.

Life insurance in its purity, and divested of all speculative features foreign to its high purpose of protecting dependent ones, appeals to and strengthens the best elements in the character of mankind. Through it a man's thoughts are turned from self and personal aggrandizement to a consideration of the welfare of those who shall come after him. The maintenance of a policy also frequently calls for self-denial and sacrifice, which have in all ages been deemed good for the soul.

Nor have all the branches which have been grafted to the parent stalk of life insurance proved detrimental to character. On the contrary, the combination of investment features for the future benefit of the insured, with insurance protection for a beneficiary, has not only met popular approval but has arrested the attention of many a would-be prodigal and given him an inspiration that has changed his course in life for the better. Not so much can be said, however, of all the speculative excrescences that have from time to time made their appearance on the fair features of life insurance, subordinating its true purpose to practice games in which the fortunate win at the expense of the

unfortunate, and strongly suggestive of the wagers of the seventeenth century.

Like religion, life insurance has provided a medium for the perpetration of deeds sordid in their conception and frequently criminal in their execution, but this has been the exception rather than the rule, and applies with as much force to the former as to the latter. Life insurance, by an appeal to the principles of mutuality, cultivates a broad charity and provides for a perpetuation of its blessings. It promotes temperance, teaches fortitude, inculcates prudence and exemplifies justice. The closer the observation the more conclusive is the evidence that as a general proposition life insurance gives expression to an exalted conception of altruism, and in proportion as its future conduct shall follow the high ideals which have warranted its existence in the past so will it continue to benefit, strengthen and elevate human character.

THE BEN WILLIAMS VASE ESSAY.

The presentation of the Ben Williams vase to Mr. Sutton was accompanied by the following presentation remarks made by Mr. W. E. Underwood, insurance editor of the New Orleans *States:*

On behalf of this honorable body, I take pleasure in delivering into your keeping the Ben Williams vase. The chief prize is gone. This is the reward of the next best. God's naked blessing goes to those who also ran. They will have honorable mention and their names will be embalmed in the rapidly shifting memories of their associates. Thus does the pendulum of life swing constantly through the arc of endeavor. This contest is human life in little and brief re-enactment of the business you represent. The contestants are numerous, the prizes few; working out in this relation as in all others the truth of the postulate that many are called but few are chosen. So it has gone, age after age, and so it will continue in victory and defeat, as long as human hearts are brave and stout, and can live and fight and die.

But those who are not victors here to-day, like those who have fought and failed on thousands of other fields, have not striven in vain. They have not failed. They have given of their best and the man who does that is a complete success. We must not forget that the measure of what is good and of what is better exists only in individual opinion. Those who go from here prizeless have contributed much to the cause of life insurance. Their aspirations have become the inspirations of those around them. They have called out the best there was in others and the quest for higher ideals and nobler conduct has been stimulated by their work. Next to victory fairly won is defeat worthily earned; next to the wreath crowned, modest victor, and side by side with him, stands the sturdy adversary with his broken blade. The world's great poet said that silence is the perfect joy. Silence is the language of symbols and, when conjoined, more potent over the souls of men than the finest speech that ever fell from lips touched with divine fire. The love of symbolism lives imperishably sweet and fresh in the human heart. Corroding time has not dulled the beauty clustering around the pile of stones erected by Jacob in the desert, and the story of that rude monument to-day stirs the emotions just as truly as the last great piece finished by the hand or art.

In itself this graceful mass of beautifully wrought metal is nothing—its meaning, all. "Back of the sound broods the silence." The noblest emotions of our souls refuse to be translated into words. They exist at immeasurable depths and are unutterable. Here, and among those here who knew him, this is the memory of Ben Williams—simple of faith, pure of heart, upright of character, sunny of soul, smiling through all the storms that break as well as all the calms that hover over "this bank and shoal of time." And the measure of the meaning of this symbol will grow larger and stronger and clearer as time in its ceaselessness carries us farther and farther from the man and sets up in his substantial stead the growing spirit of our recollections of him who, as we may well believe, like Rostand's immortal hero, when he entered God's house, in salutation swept its azure threshold with a spotless plume. In the growing memory of this prince among men, in the name of this association, Mr. Sutton, I deliver into your hands this mute but eloquent, but silent memorial of him.

Mr. Sutton's essay was as follows:

As a piece of rough marble is looked upon by a sculptor, a man's inborn nature may be regarded by him as the rough material out of which he is to carve his character according to his ideals. We may consider character, then, as the quality of a personality upon whose nature principles of living have been engraved by habit. In this view character is not all necessarily good, but will be good or evil according as the principles adopted and practiced are true or false and will be strong or weak according as they have been lightly or deeply impressed. Principles of living are the lines and proportions according to which character is shaped. Habit is the implement by which they are chiseled in. If the ideal chosen is noble and wise the principles to be applied in its attainment will be found true and well proportioned. Roughness of material at the start will largely disappear in the working out of such an ideal. Each action produces an effect upon character. If along the lines of good principles, it tends to beautify it; if evil, it mars. Men become righteous by doing right.

We are to look at the influence upon character of a certain widespread and growing custom. One human life is proverbially uncertain. But the life of the human race appears as certain as anything earthly. Under these conditions men in order to transform hopes into certainties must co-operate. Life insurance is primarily the means by which men in co-operation transform their hopes of providing a life support for the wife, or a fair start in life for the children, into certainties.

When a man insures his life, then, he is applying principles of justice or generosity, as the case may be; generally practicing at the same time economy and sometimes self-denial and accomplishing his beneficent purpose through organized channels of mutual helpfulness. In his recurring contributions to the common insurance fund he is engraving still deeper into his nature the principles he applied at the start.

It has been found that permanent and practicable whole life insurance involves the maintenance of a sinking fund to diminish the risk as the age of policy-holders advances. If the necessity for insurance passes away, this fund is often drawn upon by the insured as a means of support for himself in old age. In the care of this fund there is a merging of the uncertainties of individual investments into the practical certainty of a large number. These advantages, even though secondary, are sometimes strong motives with a man in taking an insurance policy and imply the practice of principles of prudence and thrift as well as a further exchange of service in harmonious action for common safety.

The kind of influence which life insurance exerts upon the character of the insured has, therefore, been indicated. The depth of its influence depends upon the faithfulness with which it is maintained. The extent of its influence will be measured by the number of people insured. In North America there are about 16,000,000 life insurance policies in force; in Europe, a great number, and on the other continents there are but few.

We must not overlook the influence of life insurance upon beneficiaries, men in the business, and the public in general.

Next to the one who does a generous deed the recipient usually gets the most benefit from it. We sometimes find it hard to believe that it is more blessed to give than to receive, for it certainly is blessed to receive when in need. The effect of a kindness upon a person who has any good in him or her is far from slight. It will often live in memory and bear fruit of like kind when opportunity comes. It needs but a little application of our thoughts about character, therefore, to make clear the influence of life insurance upon the character of a beneficiary.

Life insurance agents may be divided for our purpose into two classes: Those who permit their interest in the business to be totally eclipsed by their interest in the income derived from it and those who do not. The influence of life insurance upon the former class is inconsiderable; upon the others it would seem to be good in inverse ratio to the totality of the eclipse.

The effect of life insurance upon trustees, directors and officers of life insurance institutions depends mostly upon how genuinely they regard their work as a sacred trust, and it should be said that among the officials of the better class of companies there is a depth of appreciation of this not realized by the public. In those cases the work simply deepens characters already well established, as would any good work well done.

Upon the public in general the influence of life insurance is that of a good example set by the most respected men.

The influence of life insurance in the past has been confined largely to the nineteenth century, and in the first half of that it was scarcely out of its experimental stage, but its advance in the latter half has been marvelous.

As to the future the influence of life insurance, as it grows toward the ideal in practice and the universal in prevalence upon character will be simply that of one of the many factors

which, by giving scope for the exercise of the highest in man, shall develop it and help to bring on the days of comfort and peace, when life shall be iridescent with the light of unselfishness, the airs fragrant with kindness and musical with universal industry, when a firm confidence shall be justified in the wisdom of others and a satisfying trust in their uprightness, when the touch of brotherhood shall be felt in every contact of man with man.

PROFESSOR STEWART'S CHARTS.

Prof. W. P. Stewart of the Mutual Life exhibited his "Synoptical Story of the Saving of Life Insurance," which he prefaced by the following remarks:

MR. PRESIDENT AND GENTLEMEN.—My presentation to-day is by invitation and designation of your president, Mr. I. Layton Register, and is a series of charts projected by me, twelve in number, which are intended to portray, in sequent order, the evolution of the science of life insurance. Each chart is to be seen as a complete story in itself and yet a related part in the general plot. These are the originals of the charts, now for the first time shown in this country, which constituted one of the features of the exhibit made by the company with which I am in identity at the Paris Exposition, in 1900. This fact is to account to you for the name of the company appearing as a part of the chart title throughout the whole series, and to absolve me from what would otherwise warrant the charge of a design to introduce the shop. The object of these charts is to give a symmetrical outline to the general proposition of life insurance and a distinct enunciation of its more interesting and controlling factors. The story is told in mathematics, in diagrammatic lines and in picturesque allegory. Beginning with the foundation of life insurance—that is to say, its mortality table—the story moves from chart to chart with a growing significance that deepens to the end. The comparative lines of fact, the literal statement of numbers, the abstract algebraic formulæ, will here be seen as its science demands; but as the interpretation of these in the spiritual sense there will be seen, also, the charm of sentiment and the grace of art. Never has this story been told before in such a guise, or in such parts, or to its one entirety in any form in any one publication. To those interested in the business of life insurance and to the art student, to those who love the curious and who admire the stepping out from the beaten track, these charts are intended to be alike alluring and profitable.

THE BANQUET SPEECHES.

We were furnished, by the courtesy of the authors, with advance copies of the speeches and addresses which they were to deliver at the banquet which had been arranged for Friday evening, September 13, at the Falmouth Hotel, the closing function of the proceedings of the annual gathering. The banquet, as was announced last week, was promptly abandoned on receipt of the news Friday morning of the probable death of President McKinley. We believe, however, that it will gratify our readers to know what the eminent speakers intended to say on the occasion, and we therefore take the liberty of printing the matter which we had in type when we received advices that the banquet would not be held, and which we think should not be lost on account of that circumstance. Addresses were as follows:

THE CAUSE OF LEGISLATIVE PREJUDICE.

The Hon. Henry W. Anderson, of Richmond, Va., a director in the South Atlantic Life insurance company, was to speak on the relations between life insurance companies and the public. Being a lawyer, not an insurance man, he said that he must speak from the point of view of the layman. In the course of some excellent remarks he said:

Anyone who is familiar with the problems now confronting life insurance companies and their agents, or who is called upon to represent the companies in the field, before legislative bodies or in the courts, will soon realize that there is a sentiment adverse to life insurance companies, which finds its expression in the increased difficulties of the agents in securing and retaining business, in adverse decisions of courts and verdicts of juries, and in legislation often imposing burdensome conditions and unjust taxation, and vesting insurance departments with powers which are inquisitorial, if not tyrannical.

It is important that the cause of this trouble should be discovered, and if possible removed.

Adverse legislative action, which is perhaps the most common expression of prejudice, is often assigned to the influence of a class of politicians who seem to regard all institutions for the accumulation of wealth as legitimate objects for plunder. It must be borne in mind, however, that while these influences may not be without their effect, the cause lies deeper, for it is an axiom in the making and administration of law that a legislative enactment cannot be effectual unless it is backed by public sentiment, or is in response to public demand.

This prejudice is also assigned to ignorance on the part of the public as to the nature and purpose of life insurance and the conditions under which that business is conducted. It is an unfortunate habit with business interests of the country to relieve themselves of responsibility for unwise and unjust legislation by assigning such action to public ignorance. It must be remembered, however, that the public mind is naturally fair and just. Public prejudice does not arise without some cause, and when there is a sentiment sufficiently strong to secure or influence governmental action adverse to any business interest, that sentiment is not without foundation, though the public in its want of knowledge may mistake the real cause of the trouble, and in its effort to remedy the evil may do more harm than good.

If, therefore, the insurance companies or any other interests undertake to remove a prejudice which may exist or to prevent unjust and burdensome legislation, it can only be successfully done by the creation of an intelligent and enlightened public sentiment. If the ignorance of the public in regard to life insurance is a source of unfriendly sentiment, is it not to some extent true that the companies and their representatives are responsible for that condition?

Insurance companies and their agents are educators of the public. No man thinks of studying life insurance as an abstract proposition. He has neither time nor inclination to give to the subject that investigation which is necessary even to a reasonable understanding of its principles. It follows, therefore, that his judgment is largely formed by the representations made to him by the companies through their literature and by the agent who solicits his application. If this judgment is erroneous, or if his mind is prejudiced, the insurers may well inquire whether in presenting the subject to him they have done so in the manner which best served the interests of the business they represent.

I have no desire to criticise the companies or their methods of conducting business. My sympathies and interests are with them. I realize that it is a business surrounded by many difficulties, and yet I submit that there is much in current insurance literature and methods to give to the ordinary mind a misconception of the true nature and object of life insurance. That object, as I understand it, is to furnish to the insured at his own cost protection for those dependent upon him—a business which has its proper foundation upon one of the noblest instincts of the human heart, and one of the highest duties of manhood—the present denial of self for the future benefit of those dependent upon us.

In advertising literature, as well as in the discussion of the subject by agents, this primary object is too often subordinated to investment and speculative features of the contract. The public is told of the splendid returns offered by investment policies, and handsome dividends are predicted for the faithful, from tontine and other features, which are necessarily uncertain, which give wide opportunity for promises and appeal to the speculative instinct—an unfortunate tendency of our time.

It is not surprising under such circumstances that the public, too, lose sight of the real purpose of these great organizations. So long as they are regarded in their true light as agencies of thousands of policy-holders in the protection of their families from poverty they appeal to the public consideration and protection, but once let the public mind receive the impression—even though erroneous and unjust—that these are great banking institutions, conducted primarily for the benefit of those in control rather than of the policy-holder, and the sentiment in regard to the institution is changed. I submit, therefore, that the first step toward the creation of a healthy and enlightened public sentiment upon this subject is for the companies and their agents to realize that the primary purpose of the business is protection, and to keep this purpose constantly before the public mind. Once let it be appreciated that to place burdensome restrictions upon the insurance companies is to increase the cost of protection to those who need it most, and self-interest,

if no higher principle, will prevent the enactment of unfriendly legislation.

PROFESSOR STEWART'S ADDRESS.

Prof. W. P. Stewart, of the Mutual Life of New York, after quoting from Leigh Hunt's poem of "Abou Ben Adhem," said:

The more general appeal to us from the pulpit, as the all crowning consecration of our wayward hearts, is to love the Lord; but here we are startled with the proposition, and as the expression of the still higher merit, that it should be to love mankind; and this transposition of virtue seems to have been made as though in obedience to a divine suggestion, for this one poem, more than all else he ever wrote, has created for Leigh Hunt a distinctive niche in the very love he has so singularly beatified.

The argument involved has never been stated, but to question as to the fact itself is to see that the poet is right. It is really much the easier thing to love the Lord. There is every sort of inducement to this committal. In our sight He is always the revelation of entrancing wonder, of spell-like beauty. In our ears He is always as the harmony of sweet sound, or as the thunder that awes with its sublimity. In our hearts we conceive Him as the adorable—always associated with color and the scent of flowers and with the attendance of angelic beings. In our understanding He is seen as the all powerful—the giver of all things that bless and the author of our double consciousness.

Why, then, should it not be easy for every intelligent being to love the Lord? But to love mankind—why is it the poet makes this the culmination-virtue of man, and the acme of his poem? And why has it been taken up so generally and seriously by the thinking world, and perpetuated as the revelation of a tremendous truth? Let me tell you; it is because to love mankind is to undertake the most beneficent and the most ennobling task of life—and to love the Lord acceptably is to love man first. But why should it be regarded as so exalted a virtue? Plainly, because it leads over the more toilsome and uncertain path. Do you not see that the allurement lies as between the Creator, the All possessed, and man, the creature, in conflict with his environment and with himself? Do you not see that to love mankind means to care for an imperfect being—often a perverted will, often of repulsive feature, of vile habits and repellent requital? Then again, to love mankind effectively means to sit up by the side of God, to pity the sufferer, to help the weak, to have charity for the faulty, and to regard the homely as with the response we naturally give to the beautiful.

Do you not see how difficult all this is, and why the recording angel, after a night's reflection, should have made Abou Ben Adhem's name lead all the rest?

In this there is particularly presented the lesson of our life work, and with all due reverence I would apply it here. The life insurance proposition is a concrete reflection of the ideal humanity. In a way, every policy-holder brought into its charmed circle has become a factor in the manifestation of man's love for his fellow man. It means that the weak have been strengthened by a partnership with the strong. It means that the poor have been helped by an equation with the rich. It means that the wise have so planted that the ignorant may reap. It is no respecter of person, of caste or of position. Within its loving embrace the homely is as tenderly caressed as the most beautiful. It is a thought born of the more humane heart, a force propagated by its pitying love for its species, by its clearer conscience and its seeking for the love of God.

To you, gentlemen, has been intrusted the planting and vitalization of this great force. Without you it would have been an invocation merely; without seed sowing or harvest. But as your challenge to the recording angel it has been written—at the top.

Gentlemen, when the angel of record is indeed present, in the light of conscience and of literal accomplishment, it should be yours to say, with Abou Ben Adhem, "Write me as one who loves his fellow men."

DR. MARTIN'S SPEECH.

Dr. H. C. Martin, editor of *Rough Notes*, intended to speak at some length on the development of life insurance in the United States in the past sixty years. In his address he reviewed the salient events in the progress of the institution and concluded as follows:

So marked have been the changes in conditions under which life insurance is conducted since 1891, and so potent are the forces operating for expansion and concession, that it is well to regard the current of events with becoming gravity. If each concession to purchasers of life insurance has a value which actuaries must take account of, if the earning power of life insurance assets is to become less and the present ratio of expense to income is to be maintained, it would seem that the question of cost of production of business is now up very close to the producer, if not even now chafing his heels.

However, at no time in the history of life insurance has the business been so well prepared to stand a strain, such as retrenchment and reform may demand, as now. With its wonderful expansion and its attendant unparalleled cost, it has so far been able to defray the expenses of conquest and increase in financial strength.

During the past decade the annual income of the companies has increased $30,500,000, or 70 per cent.; the increase in payments to policy-holders, $73,000,000, or 74 per cent.; total expenditures, $145,000,000, or 80 per cent., including expenses of management, which have increased $51,000,000, or 108 per cent. The increase in total income over total expenditures has been $64,000,000, or 92 per cent. The insurance account shows an increase of $3,000,000,000 in amount of insurance in force, a gain of 80 per cent., and if we include increase in the amount of industrial insurance in force the increase has been $4,000,000,000, or 90 per cent. The nineteenth century was rounded out with $8,500,000,000 insurance in force. The increase in total assets was $860,000,000, or 103 per cent., and in surplus to policy-holders over $149,000,000, an increase of 149 per cent.

We hear much about princely revenues enjoyed by life insurance companies—of large salaries paid insurance officials and high ratios of expense, until by natural process of loose reasoning the public is led to infer that but a small proportion of premiums paid by policy-holders is ever returned to them—that life insurance, while a great beneficence, requires vast outlays of money for the accomplishment of comparatively little good. And some are induced to take policies and pay premiums who make an exhibition of feeling much the same as did the man who put a quarter in the missionary box and reflecting that he wanted that quarter to find its way to the heathen, with certainty, called the collector back and put a dollar in the box to get it there.

The public would think better of life insurance if it did not regard it as being so expensive. If, in fact, it were set at rest with the assurance that all the money parted with for life insurance would find its way to the beneficiaries named in its policies. With this feeling of certainty it would be better satisfied than now. That which is most needed to enthuse the public is to let it know the facts, and no man should be selected to represent life insurance who is mostly concerned over the alleged shortcomings of the other company, and is not fully enthused over the fact that the companies intrusted with the vast sums they have received have exhibited wonderful fidelity to the trust reposed in them.

Let it then be as widely known as possible that for the $3,800,000,000 in premiums received by the sixty-one active, regular life insurance companies since their organization they have returned to policy-holders or hold in trust for them $300,000,000 in excess of all premiums ever collected by them.

A POEM BY MR. WHITCOMB.

Mr. W. H. S. Whitcomb, of Burlington, Vt., was to have read an original poem, which he entitled "A Twentieth Century Knight." It was as follows:

"In days of old, when Knights were bold," it's so the old song reads,
"Their bones are dust, their good swords rust," as if all knightly deeds
Had ceased to be, and you and me might never know or see
Just what Knights were with spear and spur, or what a Knight could be.

His mighty steed, Arabian breed, with silken mane and tail,
With trappings black on head and back, the Knight in steel-clad mail,
With plumes above and gauntlet glove, with shield and sword of steel,
A sight so grand no foe could stand, his enemies must kneel.

A heart so true to dare and do wherever wrong oppressed.
Those Knights of old, as good as gold, their names have long been blessed.
You know so well I need not tell their story o'er and o'er,
And yet the theme so good I deem, I'll sing the "Knight" once more.

"My Knight," I say, "Knight of to-day, the Twentieth Century Knight.
He rides no steed, for spurs no need, his cause forever right.

"Who is my Knight and by what right is he called Knight to-day?
What king serves he, what victory in which he won his way?
What can he boast o'er foreign host, who knows his victories won?
What war to-day in which to say what banner leads him on?
What blazoned shield from well fought field does he before him bear?
Damascus sword does he afford, plumed helmet does he wear?"

I answer, "No, he can forego all pomp of court or war,
Nor herald comes, nor beat of drums announce him near or far.
A peaceful Knight in his good right, is he called Knight to-day.
No king serves he—the victory in which he wins his way
He does not boast o'er foreign host, few tell his victories won.
No war to-day in which to say what banner leads him on.
No blazoned shield from battlefield does he before him bear.
No spear or sword does he afford, nor helmet does he wear.
His victory humanity attests where'er he goes.
He wins each day, and on his way he makes good friends of foes.
Oft comes alone, perhaps unknown, no trappings does he wear,
But head and heart urge him to start on crusade high and fair,
To plead with those, quite well he knows, who often make him wait,
And try his zeal for their own weal, he's early and he's late."

While some say, "Nay, you need not stay, we'll send for you some day,
When we are sure we're not so poor and surer of our way."
And others say, "Just lead the way"; thus other victories won
Make our Knight sure of homes secure, and conscience says well done.
It's better far than foreign war, this home crusade for him,
He much prefers success to spurs or distant glory dim.

He comes to aid the innocent maid and orphaned children, too,
Of her who weeps for him who sleeps, who was her husband true.
The ills of age he does assuage, the wolf he drives away,
And shields the life from toil and strife and brings in peace to stay.

"Where can he be and where can we behold this Knight so grand?
Old Minstrel, tell where does he dwell, is he in our fair land?"
Dear friends, to-night and in this light he's here, two hundred strong.
With your consent, he's in your tent and this his Minstrel song.

Like "Ætna" strong, his life prolong, his work the true heart thrills,
And his proud fame and his good name are fair as "Berkshire" Hills.
"Pacific" aim he's sure to claim, and "Equitable," too.
He's "National" and "Mutual," Prudential" through and through,
"New England" fair and "New York" share, and "Massachusetts," too;
His "Mutual" name, his "Union" fame, dear "Maine," he'll share with you.
Then "Penn" will claim a "Mutual" aim, "Connecticut," we'll say,
Has claims as old, and good as gold, "Northwestern" that same way.
The "New York Life" and "Home" are rife on fair "Manhattan" land,
"Germania," they're all, we'll say, his "Metropolitan" band.
"John Hancock's" fame, stout "Girard's" name, and "Washington's" as well,
All lend their aid in this parade to help the numbers swell.
My brave Sir Knight's a "Traveler," a "Connecticut General," too;
He can confer a "Mutual Benefit" twice "Provident" with you.
He favors "Union Central"-ism, like "Phœnix" rises well,
To hear the story that the poor and stricken orphans tell.

So "Peace she hath her victories" far greater than we know,
And my Sir Knight, I'm sure he's right, he says "the years will show"
That what he does for brother man will open to your view,
Beneficence unknown before, much grander and more true
Than heart hath deemed, or poet dreamed, or even seen on earth.
No matter what the effort cost the crusade well was worth.
And he, my Knight, with banner white, the banner wide unfurled,
Will stand before applauding men, acknowledged by the world.

Blacklisted.

The Missouri Insurance Department gives out the following names of alleged insurance companies which are operating in that State by the underground passage. Some of these concerns are out and out wildcats; others are of dubious character. The Cotton and Woolen Manufacturers of Boston and Rubber Manufacturers of Boston are cases of respectable corporations in bad company:

Alexandria of Virginia.
Amazon of Charleston, W. Va.
Capital of Jackson, Miss.
Central of Chicago.
Citizens of Chicago.
Commercial of Delaware.
Commonwealth of Chicago.
Commonwealth Savings and Insurance of Richmond, Va.
Cotton and Woolen Manufacturers Mutual of Boston.
Fire Association of New York.
Georgia Industrial of Atlanta.
Germania of Chicago.
Great Britain of London.
Indiana Underwriters.
Indiana Insurance Company.
Industrial Mutual of Boston.
Interstate of Chicago
Keystone Mutual of Philadelphia.
Lincoln Insurance and Banking Company of Hammond, Ind.
Manton Mutual of Philadelphia.
Mercantile Mutual of Providence.
Mercantile of Chicago.
Mercantile F. and M. of Washington, D. C.
Mill Owners Mutual of Chicago.
Mutual Fire of Baltimore
Narragansett Mutual of Providence.
National Church Mutual of Chicago.
Northwestern Fire of Chicago.
Patapsco Mutual of Baltimore.
Prairie State of Chicago.
Protection Mutual of Chicago.
Pulaski Mutual of Chicago.
Rubber Manufacturers Mutual of Boston.
Security Mutual of Omaha.
Standard Lloyds of New York.
Western Fire, Marine and Plate Glass of Chicago.

Official Reports.

Minnesota Life Insurance Report.

Commissioner Dearth has issued the second part of the annual report of the Minnesota Insurance Department, embracing the life, casualty and assessment business transacted in the State. The following are extracts:

The total amount of insurance in force in Minnesota in the old line or legal reserve companies, at the close of the year 1900, was $118,893,362, being a gain over the year 1899 of $10,222,511.

GAIN AND LOSS EXHIBIT.

One of the most interesting tabulations contained in this report is that covering the gain and loss exhibit. It is known as "Table A," which shows the actual experience of the companies as against the expected, and indicates at a glance the actual results realized by the companies covering the year's transactions.

According to the mortality tables, it was expected that the companies would have a total loss from this source of $88,962,-026, while their actual losses amounted to but $74,095,148, which is only 83 per cent. of the expected.

In the matter of expenses, the total loadings on the premiums for this purpose, by all companies, was $88,555,308. Their actual expenditures were $85,460,141, which shows a saving of but 3 per cent. from this source.

The total amount of surrender values accruing during the year amounted to $34,707,384, of which amount was actually paid $25,506,286. Therefore, there was a saving to the companies from this source amounting to 27 per cent. The companies paid total dividends of $26,371,860.

The total net receipts from interest on investments were $66,397,252, while the total amount of interest required to maintain the full reserves on their outstanding policy contracts was $54,950,138. Thus it will be seen that the companies have a gain from this source of over $11,000,000, really indicating that they are realizing a much higher rate of interest on their total investments than the law absolutely requires.

TWENTY-SIX YEARS OF LIFE INSURANCE IN MINNESOTA.

The following table shows the number of policies and amount of insurance issued, total premiums received, and total losses paid in Minnesota, for the past twenty-six years. The totals show that during this period 313,947 policies were issued, covering insurance to the amount of $335,588,634. The actual premiums received on this amount of insurance were $41,061,-681.97, while the losses paid amounted to $13,562,166.41. This includes both ordinary and industrial policies. This table only shows, in the way of payments, death losses and does not include dividends, endowments, annuities, or surrender values, which annually amount to a very large sum: * * *

FRATERNAL SOCIETIES SCORED.

Insurance societies conducting their business strictly upon the fraternal plan are certainly making a very rapid increase in their membership. In the State of Minnesota alone, during the year 1900, the net increase in members was about 20,000, there being, at the close of the year, 102,595, as against 82,623 at the close of the year 1899. Thus it will be seen that practically 100,000 of Minnesota's citizens are members of some fraternal insurance society, exceeding, by nearly 100 per cent., the total number of policies in regular old line or legal reserve companies, exclusive of what is termed industrial business. In view of this large membership, it certainly stands the legislature of the State in hand to throw about these societies, through the passage of good and sufficient laws, every safeguard possible to insure their financial permanency, reliability and efficiency of management.

The present laws of Minnesota governing this class of insurance societies are, as I have frequently had ample reason to assert, an actual disgrace to the State. During the last (1901) session of the Legislature a vigorous effort was made to enact a new fraternal law which provided a minimum rate, based upon regular standard mortality tables, thus guaranteeing a standard of solvency that would insure the permanency of these institutions, providing the management was honest, economical and efficient. This bill, if passed, would have repealed the present statute, thus protecting the citizens of Minnesota against the further organization or admission to the State of

irresponsible corporations of this class. The effort, however, was unsuccessful, and, consequently, institutions organizing on the so-called fraternal or lodge plan for the transaction of life and casualty insurance are springing up like mushrooms in the night. Applications for admission of these societies are pouring in from every section of the country, but unless a satisfactory financial showing, together with evidence of an able, efficient and honest management, is furnished, license is refused.

The word "fraternal" certainly covers a multitude of sins, as applied to the insurance business. Many appear to think that because the society is conducted upon the fraternal plan it must be safe and sound, when, in many cases, it means nothing of the sort. The laws, however, should be such that the word "fraternal" would carry with it the confidence of and security to the members present as well as prospective. This can only be accomplished by a legal requirement that the premium payments made under the policy or certificate contracts shall be sufficient from date of issuance of the policy, and annually thereafter during the life thereof, to create a reserve which, at 4 per cent. interest annually, will mature the face amount called for in the policy contract at the time of its certain maturity, with a sufficient loading added to meet the necessary running expenses.

There is one thing absolutely sure and cannot be gainsaid by anyone familiar with the principles of life insurance, and that is, the mortality cost in a fraternal society is bound to equal that of any old line or legal reserve company; therefore, the only element whereby insurance protection can be furnished for a less sum than that charged by any other class of companies is in the matter of expense. The sworn statements of the various fraternal societies filed with this department show that the average percentage of expense to each dollar of mortality cost exceeds that of the old line companies, this being especially true of all the smaller fraternals, a few which have a very large membership being excepted. There is no question but what the expense of conducting the business in all companies, regardless of class, is far greater than it should be, and that a great saving to the policy-holders could and should be enjoyed from this source. I would strongly recommend the passage of a law compelling each and every life insurance society, whether conducted upon the fraternal or ordinary plan, to charge a rate based upon some well established table of mortality with an annual rate of interest that would give absolute assurance to the membership that the protection furnished is reliable, secure and permanent, as there is not a single instance, no matter what the volume of the society's membership may be, which will not, sooner or later, have the face of its charter turned to the wall if it does not collect from its members a sufficient amount of premiums or assessments to meet its certain mortality cost, and reasonable legitimate expenses.

ASSESSMENT ACCIDENT ASSOCIATIONS.

* * There is probably no line of insurance subject to greater abuse than that of so-called health or sick benefit insurance. The temptation, in many instances, to protract the term of illness for an indefinite period is so great that unless great care and precaution are exercised by the management of the company, many dishonest and unjust claims will be paid. This, of course, results in throwing an unjust burden upon the honest element of the membership. This class of companies should not issue a policy contract providing a death indemnity in excess of a few hundred dollars, the amount to be governed entirely by the size of its membership. There are several of these assessment accident associations reporting to this department which, should they have the misfortune to meet with a death loss, would be unable to meet the same in full, even if the entire proceeds of the assessment or premium received during the year were available for that purpose; therefore, unless the membership of a company and its cash accumulations will warrant it, no policy of insurance should be issued carrying a death indemnity in excess of a few hundred dollars; in no event to exceed $1,000.

THE ASSESSMENT BUSINESS.

During the past year there have been three regular assessment life associations organized, or admitted, to transact business in the State, while five companies of this class have retired. The net number now authorized to do business in Minnesota is but seventeen. This class of companies has rapidly retired from the insurance field during the past few years. Some have failed, many have reinsured or merged their business with what are supposed to be stronger organizations, while very few have succeeded in reincorporating or reorganizing under the so-called old line or legal reserve laws, this all clearly indicating that the assessment plan of life insurance is fast falling into ill repute. The public have come to realize, through their experience in these associations, that the indemnity furnished is in no degree reliable or permanent. The mortuary or "pass the hat" plan of life insurance is now acknowledged by even the strongest of the assessment class of associations to be unreliable, insecure, and as far as the policy-holders or members are concerned a delusion and a snare.

Managers of these companies at the present time universally acknowledge that their system was built upon sand, and have ceased to ridicule the old line plan of insurance, which they formerly declared was an extravagant luxury for the policy-holder. They now acknowledge that sufficient payments must be made by the policy-holder to create a sufficient reserve to cover the increasing mortality cost as the age of the policy-holder increases, thus insuring a level premium payment throughout the life of the policy. They realize that the mortality cost in an assessment company cannot be less (and it is likely to be more, as the medical examinations are usually less rigid) than the death rate in the so-called old line or legal reserve companies, the only possible source of saving being in the expense element.

MUTUAL RESERVE FUND LIFE ASSOCIATION.

Of the regular ordinary assessment class of associations, which apparently is now undergoing a life and death struggle, is the Mutual Reserve Fund Life Association of New York City. Its sworn statement filed with this department, covering its business and financial affairs as of December 31, 1900, shows accumulated and unpaid death claims of an amount exceeding $1,800,000, which exceeds by more than one-half the total amount of claims paid during the entire year of 1900. In addition to this enormous accumulation of claims there were many thousands of dollars due for accrued and unpaid indebtedness, on account of expenses, etc. As a result of this showing, and numerous early rumors concerning its management, which had persistently come to the attention of the department, I deemed it my duty, as a matter of safeguarding the interests of the present and prospective Minnesota policy-holders, to make a thorough investigation of its affairs previous to issuing its renewal license, and the officers of the association were accordingly advised by the following letter, under date of March 20, 1901:

St. Paul, March 20, 1901.

Mutual Reserve Fund Life Association, New York City, N. Y.:

Gentlemen—In checking over your annual statement it is clear to be seen that your financial condition is anything but satisfactory. A company that has on its books accrued and unpaid losses in the sum of nearly two millions of dollars—to be exact, $1,825,119—which amount is but little less, comparatively speaking, than its total available cash assets, certainly has reason to feel very doubtful as to its future. In addition to this it appears that there is due for salaries, rents and other incidental expenses nearly $61,000.

I am frank to state that I am inclined to hesitate very much about granting a renewal license to your company for the transaction of business in Minnesota durig the present year. Taking into consideration the actual financial showing as set forth in your sworn statement, together with the numerous ugly rumors that have come to this department, as to the exact status of your financial affairs, it seems best, in order that the interests of the policy-holders of this State should be fully protected, that the renewal license of your company be withheld pending an investigation which I have under consideration of your company's affairs. I shall endeavor to visit the office of your company some time during the month of April for the purpose of entering upon the proposed investigation.

(Signed) Yours very truly, Elmer H. Dearth,
Insurance Commissioner.

The laws of this State provide that whenever the commissioner deems it prudent for the protection of the policy-holders in this State, he shall examine, or cause to be examined by some competent person or persons, whom he may appoint for that purpose, any company authorized to transact business in the State, and further provides that for the purposes of such examination free access shall be had to all the books, records and papers of the company relating to its business, as well as the books and papers kept by its agents.

Considerable correspondence was addressed to the association concerning the proposed examination, in which the date of commencing same was postponed from the first of April until about the first of May, but not until April 16 was any communication received from the association, when various reasons were advanced why the proposed examination should not be made, particularly at that time, the principal one being that an examination by the New York department was shortly to com-

mence. To this letter the following reply was made under date of April 19, 1901:

Here follows the letter which appeared in our columns in our issue of June 8, in which Mr. Dearth offered to defer his examination until it could be made jointly with the New York Insurance Department, provided it be begun at an early date. In case that could not be arranged, Mr. Dearth said that he would have to proceed with an independent examination.

To the foregoing letter no reply was ever received by this department.

It was not until May 31 that the examiner appointed to take charge of the examination presented himself at the office of the association, when the officers declined to deliver, or place at his disposal, the books and records (as the laws of this State clearly provide shall be done), until a meeting of the board of directors could be held to decide whether such examination would be permitted or not. Under these circumstances the only alternative on the part of the insurance commissioner of this State was to bar the association from writing further business in Minnesota, and in case its renewal license had been reissued, under the laws it would have been his imperative duty to at once revoke the same. Even though the officers stated that a meeting of the board of directors would be held on the following Monday, which would have been June 3, no such meeting ever materialized. Thus it is plain to be seen that this proposed meeting of the directors was a pure bluff, for had the same been held and action taken favorably to the examination, the notice barring them from the State would, as a matter of course, have been recalled and the examination duly proceeded with.

In its action in the matter this department pursued the only dignified and proper course permitted under the statutes. It is proper to state that in this proposed examination the insurance commissioner of the State of Wisconsin was a party, and the association was likewise barred from that State. The commissioner of Minnesota, as well as Wisconsin, has been subject to very severe criticism at the hands of certain insurance publications of the country (on whose pages the advertisement of the association universally appears), charging what they term to be most unfair, autocratic and high-handed outrageous action by this department in barring the association from further transactions in the State, all because we did not await the result of the proposed board of directors meeting, which, if the same had been held, would beyond question have necessitated the same action on the part of this as well as the Wisconsin department a day or two later.

A regular bureau for sending out marked copies of the insurance journals, containing these articles of criticism, was promptly established by the officers of the Mutual Reserve Fund, as the editors of the State press, members of the Legislature of this State, State officials and other men of State prominence can testify. Since the appearance of these articles the officers have had the same compiled in pamphlet form, together with the correspondence which took place at the time the examination was to have been made (the previous correspondence, in which the association was advised of the proposed examination and the reasons therefor having purposely been eliminated), and same scattered broadcast throughout the State, the evident sole purpose of all this being to create an impression, or public sentiment, that the association has been subject to unfair, unjust and outrageous (?) treatment at the hands of the Insurance Commissioner of the State of Minnesota. The vast expense involved in this vicious proceeding on the part of the officers of this association can be easily imagined by its policy-holders. It is understood that an effort is being made to reincorporate the association upon the regular old line or legal reserve plan, and if the scaling of death claims will enable the officers to place its affairs upon a solvent basis they certainly should be eminently successful.

As a result of the course pursued by the association (in its endeavor to create public sentiment in its favor and against this department, as above stated), I deemed it proper to address a communication to the public, reviewing the circumstances in connection with the case in question, and embodying therein a few reasons why I considered it my duty to make an investigation of the affairs, general business management, and financial standing of this institution, of which the following is a copy:

This communication was published in our issue of June 29 last.

It seems proper to state, in closing my comments on this much discussed matter, that under its by-laws the officers hold that a claim never becomes due and payable until ninety days have expired after date of acceptance of satisfactory proofs of loss; therefore, it has succeeded, by this method, in postponing payment of its death claims for an indefinite period. Unless the beneficiaries receive advice from the home office of the association that the proofs were satisfactory—even though one or two years might elapse after the proofs were sent in—it would be asserted that the death claim had not become due. In this manner nearly $2,000,000 of unpaid claims had accumulated on the first of the present year, and still President Burnham asserts that the association has not now, nor ever has had, in Minnesota or elsewhere, a single just death claim due and unpaid.

When the beneficiary is finally favored with an acceptance of satisfactory proofs, they at the same time usually have submitted a statement setting forth the amount due under the policy contract. In addition to the regular lien of from 40 to 50 per cent., covering the unaccumulated reserve, there is, in many cases, an additional charge, under the head of "Extra Mortality," ranging anywhere from 20 per cent. upwards. These amounts, plus accrued interest and the unpaid portion of the annual premium, or assessment, if any, deducted from the face of the policy, show net amount which the association claims as due and payable.

In view of all these circumstances, without having been allowed to make an examination of its affairs, as fully set forth in the foregoing, I certainly deemed it to the interests of the citizens of Minnesota that the association be debarred from soliciting further new business in the State. * * *

Technically, there is only one reliable plan upon which the business should be transacted, that being what is known as old line, or legal reserve. Without the accumulation of a reserve, equal to that which is being accumulated and maintained by these well-known old line life companies, no company can insure or guarantee the payment of a definite amount at the end of some indefinite future period.

When Working for The Mutual Life...

You needn't introduce the Company—the Company introduces you. There you have it. You needn't take a minute or a word to prove where The Mutual stands or what it stands for. The whole world knows its masterful leadership—just as you know it yourself. But there are some things you may not know.

DO YOU KNOW

That **The Mutual Life** is especially helpful to agents?
That **The Mutual Life** writes the most liberal policies?
That **The Mutual Life** gives the highest guarantees?
That **The Mutual Life** has policies that meet every requirement of investment as well as of protection?

Look into these things. Take no one's say so, but investigate,

The Mutual Life Insurance Company

OF NEW YORK,

RICHARD A. McCURDY, President.

IT IS THE LARGEST FINANCIAL INSTITUTION IN THE WORLD.

Income in 1900, - - - $60,582,802.31
Assets January 1, 1901, - - $325,753,152.51

It has room for workers who are not rebaters. Address

GEORGE T. DEXTER,

Superintendent of Domestic Agencies,

NEW YORK.

Established 1782.

Phœnix Assurance Company,

OF LONDON.

FIRE INSURANCE ONLY. LOSSES PAID OVER $100,000,000.

Head Office for the United States, 37 Liberty St., N. Y.

A. D. IRVING, Manager. E. B. CLARK, Asst. Manager.
LOUIS P. BAYARD, 2d Asst. Manager.

QUEEN

Ins. Co. of America.

NEW YORK.

Phœnix Mutual Life Insurance Co.

OF HARTFORD, CONN.

ORGANIZED IN 1851.

Assets, January 1, 1901	$13,278,711.73
Surplus at Four per cent	564,656.73

Total Paid Policy-holders over

—$42,500,000—

ACTIVE AND INTELLIGENT MEN WANTED AS AGENTS, with whom liberal contracts will be made. Desirable territory now open.

The new plans of the Company are brief, clear and liberal. Life and Endowment Policies have endorsed upon them definite cash, loan, and paid-up values, and in case of lapse, insurance is extended without action on the part of the insured.

J. B. BUNCE, President. J. M. HOLCOMBE, Vice-President.
C. H. LAWRENCE, Secretary.
NEW YORK OFFICE: WEED & KENNEDY, Managers, 149 Broadway.

THE Fidelity and Casualty Company,

97-103 CEDAR STREET, NEW YORK CITY.

Assets, $4,435,558.87. Surplus, $1,107,870.54.
Losses Paid to June 30, 1901, $13,478,114.16.

CASUALTY INSURANCE SPECIALTIES:

Bonds of Suretyship for persons in positions of trust, Personal Accident, Plate Glass, Boiler, Elevator, Employers' and Landlords' Liability.

OFFICERS:

GEORGE F. SEWARD, President.
ROBERT J. HILLAS, Secretary and Treasurer.
HENRY CROSSLEY, Assistant Secretary.
FRANK E. LAW, Second Assistant Secretary.

The Agricultural Insurance Company of Watertown, N. Y.

ESTABLISHED 1853.

Assets, January 1, 1901	$2,283,558.42
Total Liabilities, except Capital	$1,240,017.87
Joint Stock Capital	500,000.00

Western Assurance Company.

HEAD OFFICE: TORONTO, CANADA.

INCORPORATED 1851.

Hon. GEO. A. COX, President.
J. J. KENNY, V. P., and Managing Director.
UNITED STATES STATEMENT, JANUARY, 1901.

Assets	$2,016,370.78
Surplus in United States	638,430.59

INCORPORATED 1865

GERMAN INSURANCE CO.

OF FREEPORT, ILL.

The Largest and Most Successful Fire Insurance Company in the West.

Assets, January 1, 1901,	$3,656,401.59
Cash Capital,	200,000.00
Liabilities, including reinsurance,	2,181,179.89
NET SURPLUS,	1,275,221.70

C. O. COLLMAN, Pres. HENRY BAIER, Vice-Pres. D. B. SCHULTE, Treas.
WM. TREMBOR, Sec. F. M. GUND, Ass't Sec.

National Fire Insurance Company,

HARTFORD, CONN.

JAMES NICHOLS, President. B. R. STILLMAN, Secretary.
H. A. SMITH, Assistant Secretary.
HEAD OFFICE, 95 Pearl Street, Hartford, Conn.

WESTERN DEPARTMENT.
FRED. S. JAMES, General Agent.
G. W. BLOSSOM, Asst. Gen'l Agent.
Office, 174 La Salle St., Chicago.

PACIFIC DEPARTMENT.
GEO. D. DORNIN, - Manager.
GEO. W. DORNIN, Asst. Manager.
Office, 409 California St., San Fran.

German American Insurance Company New York

29th ANNUAL STATEMENT, JANUARY 1st, 1901.

Cash Capital,	$1,000,000.00
Reserve for all Liabilities,	3,408,569.64
Net Surplus,	4,267,711.70
TOTAL ASSETS,	$8,676,281.34

ÆTNA LIFE INSURANCE CO.

MORGAN G. BULKELEY, PRESIDENT

Largest Company in the World doing Life, Accident and Health business

ASSETS, OVER . . . $56,000,000.

MOWRY and PATTERSON, Managers Life Department.
GEORGE C. STERLING, Manager Accident Department.

Continental Building, 46 Cedar Street, NEW YORK CITY.

Provident Savings Life Assurance Society

OF NEW YORK.

EDWARD W. SCOTT, PRESIDENT.

THE BEST COMPANY FOR POLICY HOLDERS AND AGENTS.

SUCCESSFUL AGENTS, AND GENTLEMEN SEEKING REMUNERATIVE BUSINESS CONNECTIONS, MAY APPLY TO THE HEAD OFFICE, OR ANY OF THE SOCIETY'S GENERAL AGENTS.

ESTABLISHED IN 1822.

THE NATIONAL ASSURANCE COMPANY OF IRELAND.

GEORGE E. KENDALL,
United States Manager,
HARTFORD, CONN.

Sun Ins. Office of London, England.

J. J. GUILE, U. S. MANAGER.

OFFICE: 54 PINE STREET, NEW YORK.

The Mutual Benefit Life Insurance Co.

NEWARK, N. J.

AMZI DODD, - - PRESIDENT.

ASSETS (Market Values) Jan. 1, 1901	$74,311,468.25
LIABILITIES, N. J. and N. Y. Standard	68,186,103.34
SURPLUS	6,125,364.91

MUTUAL BENEFIT POLICIES
—CONTAIN—
Special and Peculiar Advantages
WHICH ARE NOT COMBINED IN THE
POLICIES OF ANY OTHER COMPANY.

1850. THE 1901

United States Life Ins. Co.

IN THE CITY OF NEW YORK.

GEORGE H. BURFORD, President.

FINANCE COMMITTEE.

GEO. G. WILLIAMS, . . . *President Chemical National Bank*
JOHN J. TUCKER, ... *Builder*
E. H. PERKINS, JR., *President Importers' and Traders' National Bank*
JAMES R. PLUM, ... *Leather*

Active and successful Agents who desire to make Direct Contracts with this well-established and progressive Company, thereby securing for themselves not only an immediate return for their work, but also an increasing annual income commensurate with their success, are invited to communicate with RICHARD E. COCHRAN, 3d Vice-President, at the Company's Office, 277 Broadway, New York City.

Assets over $8,000,000. **Insurance in Force, over $40,000,000**

Caledonian Ins. Co., of Scotland.

FOUNDED 1805.

"The Oldest Scottish Insurance Office."

United States Head Office, 27-29 Pine Street, New York City.

STATEMENT JANUARY 1, 1901.

Assets	$1,910,617.66
Liabilities	1,101,382.62
Net Surplus in the United States	$809,235.04

CHARLES H. POST, U. S. Mgr. N. A. McNEIL, Ass't U. S. Mgr.

Home Life Insurance Co.

256 BROADWAY, NEW YORK.

GEO. E. IDE, - - - - President.

Assets,	**$12,342,247.00**
Dividend Endowment Accumulations,	**736,337.00**
Contingent Fund,	**65,875.00**
Net Surplus,	**1,282,588.30**

The Manhattan Life

OF NEW YORK

want the best men obtainable for several pieces of excellent territory—and are willing to make mighty interesting propositions to good men.

ADDRESS
W. B. Lane, 2nd Vice-President
66 BROADWAY, N. Y. CITY

Every conceivable form of Life Policies

COMMERCIAL UNION ASSURANCE CO.
LIMITED,
OF LONDON.
OFFICE:
Cor. Pine & William Sts., New York.

HANOVER

Agencies in all the Principal Places in the United States.

Fire Insurance Company
OF NEW YORK.

Scottish Union & National Ins. Co.
ESTABLISHED 1824.

No. 35 St. Andrew Square, Edinburgh, Scotland.
No. 3 King William Street, E. C., London.

United States Branch: Hartford, Conn.

Lion Fire Insurance Company,
84 QUEEN ST., CHEAPSIDE,
LONDON, ... ENGLAND.

United States Branch: Hartford, Conn.

Royal INSURANCE COMPANY
(FIRE)
OF LIVERPOOL, ENGLAND.

Statement of United States Branch,

JANUARY 1, 1901.

Assets, held in the U. S. for the special protection of its American Policy-holders.	$7,187,715.01
Liabilities, ...	4,703,671.36
Net Surplus, ...	$2,484,043.65

AGENCIES IN ALL THE PRINCIPAL CITIES, TOWNS AND VILLAGES IN THE UNITED STATES.

The Massachusetts Mutual Life Insurance Company,

INCORPORATED 1851.
SPRINGFIELD, MASS.

ASSETS January 1, 1901.....	$26.245,622.04
LIABILITIES.....	23,920,986 53
SURPLUS.....	2,324,635.51

Definite Paid-up and Cash Surrender Values written in every Policy.

JOHN A. HALL, President. HENRY M. PHILLIPS, Secretary.

New York Office: Empire Building, 71 Broadway.
GEORGE J. WIGHT, Manager.

The Lancashire Insurance Company

OF MANCHESTER, ENG.

MILTON DARGAN, Manager,
25 Pine Street, NEW YORK.

PHENIX INSURANCE COMPANY,

OF BROOKLYN, N. Y.

NEW YORK OFFICE:
47 CEDAR ST.

Instituted in Reign of Queen Anne, A. D. 1714.

Union Assurance Society of London

No Overhead Writing
No Dual Agencies.

Loyalty to Local Agents.

United States Offices: Society's Building,
35 Pine Street, New York, ... Hall & Henshaw, Managers
171 La Salle Street, Chicago, . . . Hall & Henshaw, Managers
35 Kilby Street, Boston, . . Hall, Henshaw & Gilmour, Managers
English-American Building, Atlanta, Ga., . George N. Hurt, Manager
Mining Exchange Building, Denver, Col., Gerald L. Schuyler, Manager
AGENTS IN ALL THE PRINCIPAL TOWNS AND CITIES.

Liverpool & London & Globe Ins. Co.,

ESTABLISHED, 1836. ENTERED THE UNITED STATES, 1848.

NEW YORK OFFICE:
William & Pine Streets.

NEW ENGLAND, NEW YORK, PENNSYLVANIA, OHIO, INDIANA, KENTUCKY, TENNESSEE, ARKANSAS, MARYLAND, DELAWARE, DISTRICT OF COLUMBIA, VIRGINIA, WEST VIRGINIA, NORTH AND SOUTH CAROLINA.

H. W. EATON, Resident Manager.
GEO. W. HOYT, Deputy Manager.
JOHN J. MARTIN, Agency Superintendent.

CHICAGO OFFICE:
203—205 La Salle Street

ILLINOIS, MICHIGAN, IOWA, WISCONSIN, MINNESOTA, MISSOURI, KANSAS, NEBRASKA COLORADO, DAKOTA, MONTANA, UTAH, WYOMING AND NEW MEXICO

W. S. WARREN, Resident Secretary.
GEO. H. MOORE, J. V. THOMAS, Assistant Secretaries.

NEW ORLEANS OFFICE:
Corner Carondelet and Gravier Streets.

LOUISIANA, MISSISSIPPI, ALABAMA, GEORGIA, FLORIDA, TEXAS.

CLARENCE F. LOW, Resident Secretary.
J. G. PEPPER, Assistant Secretary.

SAN FRANCISCO OFFICE:
422 California Street.

CALIFORNIA, NEVADA, OREGON, WASHINGTON, IDAHO, ARIZONA

CHARLES D. HAVEN, Resident Manager.
C. MASON KINNE, Assistant Secretary.

National Life Insurance Company of Vermont.

J. C. Houghton, President.
Jos. A. De Boer, Vice-President.
O. D. Clark, Secretary.

THIS COMPANY HAS GAINED IN THE LAST DECADE.

In Assets, . . .	$12,275,109.34, or 160.96 per cent.
In surplus, . . .	1,089,332.69, or 119.47 per cent.
In insurance, . .	48,102,491.00, or 93.64 per cent.

Sells the Most Modern, Profit-Sharing, Non-Forfeitable Contracts of Life, Term, Endowment and Annuity Insurance. Correspondence from interested parties promptly recognized. Good agency contracts for reliable men.

J. F. Makley, General Manager,
149 Broadway, New York.

Head Office for the United States:

57 and 59

William Street,

NEW YORK.

A. G. McIlwaine, Jr., Manager.

TO BE FAITHFUL

...To Policy-holders and Agents

is the motto of the management of the Union Mutual. To serve all interests impartially. To treat all parties with consistent candor. To issue policies of pronounced liberality To make all death payments with the utmost promptness. To be fair in all dealings.

Honest, capable Agents can always have employment with us.

Union Mutual Life Insurance Co

Portland, Maine.

INCORPORATED 1848.

FRED E. RICHARDS, President. **ARTHUR L. BATES, Vice-President.**

Address either { Edson D. Scofield, *Supt.*, 1110 Am. Tract Society Bld., 150 Nassau St., New York City. Thornton Chase, *Supt.*, 84 Adams Street, Chicago, Ill.

The Union Insurance Company

OF PHILADELPHIA.

CAPITAL, - - - $200,000

STATEMENT, JANUARY 1, 1901.

Bonds, Bank and other Stocks, Market Value, ...	$279,180
First Mortgages on City Property and Demand Loans, ...	9,900
Real Estate, unincumbered, owned by the Company, ...	160,080
Premiums in course of collection, Interest due Company and Cash in Banks and Office, ...	96.032
Total Assets, ...	$545,120

LIABILITIES.

Reserve for Reinsurance and other Liabilities, ...	$239 933
Reserve for Losses under Adjustment, ...	33,915
Other Liabilities, ...	15 735
Surplus to Policy-holders, ...	255,537
	$545,120

Losses paid since organization, $17,874,556.

CHAS. S. HOLLINGSHEAD, President.
E. R. DANNELS, Secretary. M. JOS. NOWLAN, Assistant Secretary.

1846—1901.

THE CONNECTICUT MUTUAL LIFE

Insurance Company.

WHERE THE CONNECTICUT MUTUAL STANDS.

During all the long struggle out of which this situation has developed, and amid the many schemes devised to attract public attention and favor to something else than life insurance, the attitude and position of the Connecticut Mutual have never been doubtful.

It has held to the cardinal facts: Life insurance is for the protection of those dependent on a man's life; their dependence makes it his unavoidable duty. Those dependents we assume to protect by our contract, at his personal cost; our duty to them is to make that protection as large, as secure, and as certainly available to them as possible; our duty to him is to make its cost to him as small as possible.

JACOB L. GREENE, President. **HERBERT H. WHITE, Secretary.**
JOHN M. TAYLOR, Vice-President. **DANIEL H. WELLS, Actuary.**

The Metropolitan Life Insurance Co.

(INCORPORATED BY THE STATE OF NEW YORK.)

"The Leading Industrial Insurance Company of America,"

IS REPRESENTED IN ALL THE PRINCIPAL CITIES OF THE UNITED STATES AND IN CANADA. THE PAYMENT OF OVER 250 DEATH CLAIMS DAILY TELLS OF THE GOOD IT DOES. INSURANCE IN FORCE OF OVER $900,000,000 ATTESTS ITS GREATNESS AND FAVOR WITH THE PUBLIC.

Permanent, Profitable and Progressive Employment.

AGENTS WANTED—Any honest, capable, industrious man, who is willing to begin at the bottom and acquire a complete knowledge of the details of the business by diligent study and practical experience can, by demonstrating his capacity, establish his claim to the highest position in the field. It is within his certain reach. The opportunities for merited advancement are unlimited. All needed explanations will be furnished upon application to the company's superintendents in any of the principal cities, or to the Home Office, No. 1 Madison Avenue, New York City.

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Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.

FOUNDED 1792.

Assets, January 1, 1901		$9,583,791
LIABILITIES—Reserved for Reinsurance and all other claims	$4,805,254	
Capital Stock	3,000,000	
Surplus over all Liabilities	1,778,537	$9,583,791

Agents in all the principal towns and cities.

CHARLES PLATT, President. EUGENE L. ELLISON, Vice-President.
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Offices in New York: Fire, William and Pine Sts.; Marine, 63 Wall St.

1825. THE 1901.

Pennsylvania Fire Insurance Co.

OF PHILADELPHIA.

Cash Capital,	$400,000.00
Re-insurance and all Liabilities,	2,771,038.56
Surplus,	2,163,883.97
Total January 1, 1901,	$5,334,922.53

R. DALE BENSON, Prest. W. GARDNER CROWELL, Sec.
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CONTINENTAL INSURANCE COMPANY,
46 CEDAR STREET, - - NEW YORK

THERE ARE FEATURES IN THE FIFTY-THIRD ANNUAL REPORT OF

The Penn Mutual Life Insurance Company

Of interest to all engaged in life insurance work.
A copy on request.

THE PENN MUTUAL LIFE INSURANCE COMPANY,
921-925 CHESTNUT STREET, - PHILADELPHIA.

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

VOL. LXV. SATURDAY, SEPTEMBER 28, 1901. No. 13.

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WE print an unusually full account of the proceedings and papers read at Chicago on the occasion of the thirty-second annual meeting of the Fire Underwriters' Association of the Northwest this week. The value of the addresses and papers which are produced at the meetings of this association lies in their application to the current condition of the business of fire underwriting. They reflect the best thought of the time on the present situation in its various phases. They are alive with explanation, criticism, suggestion and warning as to the existing state of affairs. Taken together they disclose to us where we stand in fire underwriting, up to date, in the great Western field directly, and incidentally throughout the country. Regarding these papers as we do of superior value in this way, we believe that we serve underwriting well in giving very liberal extracts from them. There were eleven addresses and essays read at the meeting, and our readers have the more pregnant parts of all. From the veteran of nearly forty years' experience, Mr. Downing, there is a consummate survey of the entire field, which is supplemented by contributions from the particular points of view of the department manager, special agent, local agent, actuary, inspector and adjuster. And there are, in addition, the opinion of State supervision upon the situation and the exposition of conditions in Chicago by the president of the association there. The report of the meeting in this week's paper constitutes a study of the times in fire underwriting, and should have the attention of the underwriter who desires to keep abreast with them.

THE sagacity of the executive committee of the association of State insurance department officials in appointing Buffalo as the place of the annual meeting was demonstrated in the largest representation of States this week since the association was organized, exactly thirty years ago. At the initial convention in New York in 1871 eighteen States were present. This was equaled at Hartford last year. But the delegates of twenty-two States participated in last Wednesday's proceedings. Of course the Pan-American side show had much to do with this; but no fault will be found with the bait when it has the effect of drawing a crowd. There was rather more interest manifested by the delegates in the proceedings than has been usual in recent years. But there was the customary inconclusiveness. The really important matters went over to next year. These were the adoption of uniform blanks for life, fire and marine companies and the formulation of a system of uniform insurance legislation for all the States. The resolution recommending that the States shall pay the expenses of examinations of companies, which we hopefully looked for, did not turn up at all. The commissioners, nearly all of whom, presumably, find their official positions agreeable and would like to keep them, had the discomfort of listening to a speech from their presiding officer in favor of abolishing separate State supervision and a learned argument by a lawyer demonstrating the constitutionality as well as the desirableness of a national bureau. Not one of them, however, raised his voice in defense of supervision by the State, probably because not one of them believes that the States will surrender this privilege to the General Government. The best result of the commissioners' conventions is that the representatives of the departments get to know each other. Personal contact tends to soften official austerity and to the cultivation of courtesy and reciprocity between dignitaries. Certainly some advantage to the supervised business grows out of such friendly conditions.

A VERY sweeping decision by a Federal judge against the constitutionality of an anti-compact law was rendered at Council Bluffs, Ia., this week. A copy of the text of the decision reaches us as we are going to press and we are able for want of time to give extracts from it only, but these present very forcibly the views of the court upon this important issue between the insurance companies and the States passing laws prohibiting an agreement among underwriters as to rates to be exacted from owners of property for insurance against fire and kindred hazards. The case upon which the decision is rendered is that of the Niagara Fire insurance company against John F. Cornell, State Auditor of Nebraska, et al., respondents, and the opinion is by Judge McPherson in the United States District Court for the Southern District of Iowa. It involves the constitutionality of the two statutes passed by Nebraska in 1897; one providing for the suppression and punishment of trusts, with which are included fire insurance companies; the other prohibiting combinations in matters of fire insurance and fixing penalties therefor. The court holds that these laws are invalid because they seek to prevent the making of contracts between citizens. The right to make them without let or hindrance is a distinguishing privilege of the citizens of the United States and an essential element of that freedom which is their birthright. "Liberty includes the right to acquire property, and that means and includes the right to make and enforce contracts," says the court; and it adds: "Without it we could not exist as a free people, but would be slaves to every legislature that could be carried off its feet by first one public clamor and then another." The strong language of the court leaves nothing

to be desired in the settlement of this important question, which will doubtless be passed upon finally in the highest court at Washington.

Facts and Opinions.

A SPECIAL cable of Thursday to the *Journal of Commerce* reasserts the statement made several weeks ago that the Phœnix and Atlas of London will be amalgamated, presumably under the name of the first. The despatch is as follows:

LONDON, September 26.—The directors of the Phœnix Assurance Company of London and the Atlas Assurance Company of London have agreed upon the terms for the amalgamation of the two companies, and meetings of the shareholders will shortly be called to formally confirm the arrangement, which the directors have, after frequent and protracted conferences, perfected and mutually agreed to. It is expected by prominent managers here that the official announcement will be made very soon. Since the publication of the matter, which appeared first in a cable to the *Journal of Commerce and Commercial Bulletin*, it has been the main topic in the fire offices here.

As was the case before, the New York office of neither company yesterday, had received confirmation of the above. It was admitted at the office of the Phœnix, however, that such negotiations might be in progress.

THE second International Congress of Medical Officers of Insurance Companies was held at Amsterdam, in Holland, on Tuesday, Wednesday and Thursday of this week. A universal medical blank was one of the most important matters considered during the congress. Among the papers read were the following: "Albuminuria in Its Life Assurance Aspect," by Prof. B. J. Stokvis (Amsterdam); "Admissibility of Impaired Lives," by Dr. E. Poels (Brussels); "Arteriosclerosis," by Dr. E. Moritz (St. Petersburg); "Syphilis and Life Assurance," by Dr. L. W. Salomonsen (Copenhagen); "Skin Diseases in Connection with Life Assurance," by Dr. P. Grosse (Leipsic); "Woman in a Life Assurance Aspect," by Dr. A. Mahillon (Brussels); "Mortality During the Early Years of Assurance," by Dr. R. Hingston-Fox (London); "Observations on Certain Alcoholic Habits in Their Life Assurance Aspect," by Sir Dyce Duckworth (London); "Admissibility of Glycosuric Risks," by Dr. Siredey (Paris); "Trembling in Its Life Assurance Aspect," by Professor Wertheim-Solomonsen (Amsterdam); "Limits of Admissibility of Risks," by Dr. G. Florschütz (Gotha); "Admissibility of Persons Who Have Lived in Tropical Countries," by Dr. C. L. Van der Burg (Laag-Soeren); "Appendicitis in Its Life Assurance Aspect," by Dr. J. Weill-Manton (Paris); "Hernia in Its Accident Insurance Aspect," by Dr. J. Coert (The Hague); "Infection of Sores in Relation to Accident Insurance," by Dr. E. Poels (Brussels); "Medium Otitis in Its Life Assurance Aspect," by Dr. H. Burger (Amsterdam); "Ocular Affections in Relation to Life Assurance," by Dr. Lantsheere (Brussels). The proceedings of the congress will be published, and will be of much value to life insurance examiners and the medical profession generally.

THE funeral of the late James G. Batterson, president of the Travelers' insurance company, was attended at his home in Hartford, Conn., on Saturday afternoon. The attendance was large and representative, friends coming from New York and other cities. The honorary pallbearers were Sylvester C. Dunham, vice-president; John E. Morris, secretary, and the Hon. James L. Howard, senior director of the Travelers; President John R. Hegeman of the Metropolitan Life, Senator Joseph R. Hawley, Judge Nathaniel Shipman, President W. H. P. Faunce of Brown University, President G. Williamson Smith of Trinity College and others. Among representatives of insurance interests present were President Clark of the Ætna, Vice-President Taylor of the Connecticut Mutual Life, Vice-President Holcombe of the Phoenix Mutual Life, Secretary Alexander of the Equitable Life, Secretaries Royce and Turnbull of the Hartford Fire, Manager Mayberry of the Standard Life and Accident; C. H. Woodworth, of Buffalo, and Stewart Marks. The insurance press was represented by E. D. Weston of THE WEEKLY UNDERWRITER, secretary of the Underwriter Printing and Publishing Company, and H. E. Roberts, business manager of the *Surveyor*. The field and office force of the Travelers was present in large numbers. The floral tributes were numerous and elaborately beautiful. The funeral services were conducted by Rev. Dr. Stone of the Asylum Avenue Baptist Church, of which Mr. Batterson was a member, and Rev. Francis Goodwin. The remains were interred in the family lot, Cedar Hill Cemetery, Hartford.

THE next regular meeting of the directors of the Travelers insurance company takes place on the second Monday in October, when, it is believed, Mr. Sylvester C. Dunham, now vice-president, will be chosen president of the company to fill the vacancy caused by the death of Mr. Batterson. It is possible that a special meeting of the directors may be called, but this is doubtful. Mr. Dunham is the logical successor of the late president. He was a lawyer of prominence at Hartford, when, in 1885, Mr. Batterson called him to service in the Travelers as its general legal adviser. In that capacity he has had a large experience with its legal affairs, embracing both its matters in the courts and its real estate and other investments. His relations with Mr. Batterson were very close and he not only possessed his entire confidence, but naturally became more familiar with his policy in the management of the company than any other man. During Mr. Batterson's illness Mr. Dunham was the acting president and so continues at present. He is a native of Mansfield, Conn., fifty-five years old, a graduate of Mount Union College, Ohio, was associated with Henry C. Robinson in his law business at Hartford and was city attorney there in 1882 and 1883. He comes from sturdy old Connecticut, Colonial and Revolutionary stock. He became vice-president of the Travelers three years ago. The fittest successor of the great founder of the Travelers is this strong and able man.

THE action of the latest conference regarding team liability rates in Boston was reported at the monthly meeting of the Boston Board of Liability Underwriters last Thursday, comprising, among other things, a new definition of the area to be included in the Boston rating, namely: Boston proper, East Boston, South Boston, Charlestown, Roxbury, West Roxbury, Dorchester, Roslindale, Jamaica Plain, Ashmont, Neponset, Forest Hills, Brighton, Alston, Cambridge, Brookline, Somerville and Everett. The new tariff, as originally prepared, applied to the cities in Suffolk, Norfolk and Middlesex counties, and allowed a discount of 50 per cent. for the other places; but the latest amendment, while reducing the discount to 30 per cent., widens its applicability to all the cities and towns not included in the new definition of Boston. Mr. S. F. Woodman, chairman of the board and general agent at Boston of the Travelers, announced that his company would abide by the new rates, which is all the more commendable as it is not a member of the conference.

AT last Saturday's meeting of the New England Insurance Exchange the matters which had been adjourned from the meeting of the week before came up for action. The propositions referred to were printed in full in our issue of August 31, and were all adopted excepting the amended reduced rate

clause. This was referred back to the executive committee with instructions to advise with the Boston board to the end of cutting out the final sentence, which reads as follows: "Provided, however, that if the aggregate loss shall not exceed 5 per cent. of the total insurance on the item or items involved, no special inventory or appraisal of the undamaged property shall be required." The adopted propositions change the definition of a mercantile risk to prohibit the writing of tobacco warehouses for a term of years at less than pro rata rates; amend the mechanics' permit in the sense of forbidding the practice of burning off old paint and amend the ordinary alteration and repair clause.

THE crime of McNallism having been charged against Insurance Superintendent Church of Kansas by his political enemies, he has published the following statement:

During my absence from the State unwarranted and damaging reports have been spread over the State with reference to the administration of the duties of my office. Serious charges have been made, which were not only untrue, but which seem to have been made without reasonable effort to learn the truth. For the benefit of any citizen of the State who may seriously believe that the Insurance Department has not acted wisely in the matter of the examination of insurance organizations, I wish to say that all examinations have been conducted in strict compliance with the law passed by the last Legislature, and that in no case have the fees for examinations been greater than the law prescribes. I do not believe that any representative of the Republican party can afford to assume the attitude of special champion of insurance companies to the extent of threatening impeachment or other vengeance to an official who, in the discharge of his duty, simply proceeds in a legitimate way to convince himself as to the actual condition of the companies which are soliciting business within our borders.

THE Western Union, at its annual meeting last week, reelected J. M. De Camp president and John P. Hubble secretary, and elected Fred S. James vice-president, in place of I. S. Blackwelder, who declined to serve again. Old Point Comfort was selected for the semi-annual meeting in March, 1902. The absolute separation rule, which a number of large companies endeavored to pass, was antagonized by so considerable a minority that for the sake of harmony it was allowed to drop. The large cities committee reported that it was impossible to reach an agreement; so that matter was allowed to go over to next spring, as also were the revision of the rules and the proposed plan for the uniform payment of losses. The most important successes of the meeting were the elimination of rates on preferred risks in Iowa and the elimination of exposure charges on dwellings in Ohio, Missouri, Kansas and Nebraska.

THE annual meeting of the Massachusetts Mutual Fire Insurance Union took place at "The Wendell," Pittsfield, Mass., on Tuesday evening last, and the following officers were elected for the ensuing year: President, Richard F. Barrett, of the Middlesex Mutual; vice-presidents, Thomas F. Temple of the Dorchester, and Joseph A. Smart of the Merrimack; secretary and treasurer (twenty-third time), Alfred L. Barbour of the Cambridge Mutual; executive committee, Charles A. Howland of the Quincy Mutual, Edward M. Tucke of the Traders and Mechanics, Henry G. Morse of the Fitchburg, J. White Belcher of the Norfolk and J. M. Stevenson of the Berkshire. The banquet preceding the annual meeting was attended by the directors of the Berkshire Mutual and other prominent men of Pittsfield and speeches were made by President Barrett and several of the guests.

ACCORDING to "one of the late President's closest friends" the exact amount of his life insurance policies was $67,000. Of this $50,000 was carried by the New York Life. The New York *Sun* of Sunday says:

It was ascertained yesterday that it was Mr. McCall and Senator Hanna who induced President McKinley to increase his life insurance in the last few years. The President had many expenses during his life and he had not been able to save much. Up to 1897 his life insurance policies aggregated about $12,000. President McCall for many years was a warm personal friend of President McKinley. Mr. McCall was not always in political affiliation with Mr. McKinley. He was a friend of President Cleveland and Governor Hill. In 1896, however, Mr. McCall came out strong for McKinley, and he has been a McKinley man ever since. With Mrs. McCall, Mr. McCall has been the guest of President and Mrs. McKinley at the White House on many occasions.

A COMMUNICATION has been sent to the Common Council of Binghamton, N. Y., by the local board of fire underwriters, conveying the recommendations of the inspector of the National Board of Fire Underwriters as to desired changes in the fire department of that city. The recommendations are as follows: 1. The abandonment of the present unreliable fire department organization. 2. The fire department should be reorganized, establishing a fully paid and partly paid system; at least forty regularly employed firemen should be assigned for duty at the present stations. 3. One regularly employed assistant to the chief engineer should be appointed. This requirement would increase the efficiency of the service.

THE Insurance Commissioner of New Hampshire has published a notice warning all persons that the following named companies have not been licensed by the authorities of their own States and that the prospect of recovering indemnity from them is believed to be very poor. These felines are:

Central, Citizens, Commonwealth, Interstate, Mercantile Fire, Northwestern Fire, Prairie State and Western Marine and Plate Glass companies, all of Chicago, Ill.; Commercial, New Albany, Ind.; Commercial Fire, Wilmington, Del.; Mercantile, Wilmington, Del.; Commercial, Philadelphia; Commonwealth Savings and Insurance, Richmond, Va.; Continental Fire Association, Fort Worth, Tex.; Georgia Industrial, Atlanta, Ga.; Lincoln Insurance and Banking, Hammond, Ind.; Security Fire and Marine, Washington, D. C.; Southern, Atlanta, Ga.; State, Wilmington, Del., and Washington, Washington, D. C.

THE directors of the Firemens of Baltimore have voted to recommend to the stockholders the reduction of the capital of the company from $900,000 to $400,000 by the cancellation of 5,000 shares of stock aggregating $100,000 and the reduction of the par value on the remaining 40,000 shares from $20 to $10 and carrying the amount of the reduction to "surplus account." In announcing this proposition the directors say:

This change does not decrease the book value of the stock, but rather increases it, and places the company on a strong basis, both from a financial and an insurance standpoint. We may add, that in coming to this conclusion the judgment of the directors and officers is confirmed by the leading and best underwriters and financiers of the country.

DENVER business men who have been complaining because of the increase in rates under the new mercantile schedule have been surprised to find that much of the advance is due to the city's faulty fire protection. The Chamber of Commerce has appointed a committee to investigate and report on the improvements that are needed, on the ground that it would be cheaper to pay the $26,500 asked for by the fire department than to submit to the heavy increase in rates caused by the deficiency. The chief wants more large engines, as during a big fire he has absolutely no reserve to send to other alarms. Three would cost $16,500 and 10,000 feet of hose would be $10,000 more.

THE Illinois Life of Chicago on October 1 will adopt the plan of having all its policies registered with the Illinois Insurance Department, under the registration law of the State. It deposits with the department enough securities to guarantee the fulfillment of all its contracts, and all policies are sealed by the superintendent with a certificate of that fact. The chief obstacle which the Illinois Life has had to contend against has been innuendoes from its contemporaries as to its age and

financial standing, but this practical guarantee by the State should effectually dispose of that.

LAST Tuesday twelve boys, both white and colored, were questioned by the fire marshal of Massachusetts regarding what they knew about the incendiary fire which destroyed the old Ætna rubber mill plant on Brookside avenue, Boston, September 18. It is intimated that as a result of the investigation several of the suspects are to be arraigned in the West Roxbury Police Court on the charge of incendiarism. It seems that the building had been set afire six times before, but the last fire completely destroyed it with a loss of $5,000 to the owners.

AT the regular meeting of the Boston Board of Fire Underwriters last Tuesday, the executive committee submitted its report recommending specific advances in rates on coal wharves and yards, ranging from 25 to 75 per cent. over the schedules now in force. Although the feeling of the board, generally speaking, is decidedly in favor of an advance, it was decided to defer the confirmation of the rates submitted until the next meeting of the board, it being possible that in the meantime it may be found advisable to make modifications in certain cases.

BEGINNING with October 1 the publisher of the *Insurance Register* of Philadelphia will issue a weekly journal entitled the *American Fireman*, to be devoted to fire protection and prevention, improvements in water and fire service, chronicling news and gossip relative to volunteer and paid fire departments and attachés and advancing the interests of the firemen of this continent. The rate of subscription will be $1 per year. The enterprise could not be in more competent hands.

IF proof had been read last week with the care it should have received our esteemed contemporary the *Journal of Insurance Economics* would not have appeared amenable to an allusion intended for a less reputable publication. The context of the paragraph and the subsequent use of the name of the malefactor prevented any misunderstanding as to publication which was meant: to wit, one *Insurance Economist*, so called. Apologies in the direction of Boston are due and tendered.

THE Washington Insurance Association has notified Seattle agents that buildings in course of erection may be insured at 5 cents premium provided a warranty is attached that the building will not be occupied during the life of the policy without the consent of the insuring company and the payment of the additional premium. Under this clause a large school building, which will not be completed for a year, has been written at 5 cents.

THE State Auditor of Indiana has supplemented his recent ruling governing agents writing outside of the county in which they are taxed by deciding that if business comes to an agent unsolicited he is at liberty to write it, no matter where in the State it may be located. It is believed that this will largely nullify the former ruling, as any agent who wishes to take advantage of the law can claim that the business was unsolicited.

A SPECIAL cable in one of the dailies asserts that the latest form of the American invasion of England is the effort of a New York syndicate to secure control of one of the largest insurance offices in Great Britain. "It is understood," says the correspondent, "that the terms offered are generous enough to meet the approval of the shareholders of the company."

A SUIT against H. H. Klayer, the discharged Ætna employee, and his wife, to recover $167, has been instituted at Springfield, Ill., by the German insurance company of Freeport. The company claims to have secured judgment for this amount against the defendants in Ohio, but has been unable to collect it.

A CIRCULAR has been issued by General Agent Lenehan, of the Phenix of Brooklyn, warning agents of the operations of swindlers in Arkansas, Kansas and Oklahoma, who are selling bogus policies purporting to be issued by that company. Farmers are the principal victims.

THE Delaware is the latest company to retire from Kansas City, Mo., on account of confirmed unprofitable conditions. It has decided that under the existing situation there is little hope for improvement and so pulls out till the business men or the insurance companies learn better.

CHICAGO fire underwriters back up their protest against the claim made by A. M. Rothschild & Co. for damages caused by their collapse, by claiming that the firm should have given them notice of the changes it was making, as it turned two separate risks into one hazard.

THE Salamandra insurance company, of St. Petersburg, Russia, has notified the Massachusetts Insurance Department that it will comply with the requirement of the department to make good the impairment of its United States branch.

THE stockholders of the American Central of St. Louis on Tuesday unanimously voted in favor of the proposed increase of the capital stock of the company from $600,000 to $1,000,000.

THE St. Louis Insurance Agents' Association now has $10,000 in deposits of members as guarantees that they will not circumvent one another unfairly.

THE Auditor of Nebraska has issued a circular warning the public that the Old Wayne Life of Indiana is not authorized to do business in the State.

THE Chamber of Commerce of Denver, Col., has appointed a committee to investigate the radical increases in fire insurance rates in that city.

THE Helvetia, Baloise and Svea will not apply for renewal of license in Florida on account of the heavy license fee.

THE Lone Star Fire insurance company has been incorporated at San Antonio, Tex.

Personal

AGENCY APPOINTMENTS.

Delaware of Philadelphia: Paul M. Nippert, State agent for California.

Firemens of Newark: Herman Otto, Lawrence, Mass.

Milwaukee Fire: Fisher, Martin & Wurts, Chicago, Ill., sole agents.

Mutual Life of Kentucky: Elmer E. Powell, general agent for Philadelphia, Pa.

Pelican Fire: F. G. Macomber, Boston, Mass.

Mr. Frederick Fraley, the oldest director of the American Fire insurance company of Philadelphia, and the secretary of the company sixty years ago, died in that city on Monday, aged ninety-seven years. He was probably the oldest active business man in the United States, if not in the world. He was president of the Schuylkill Navigation Company from 1841 to 1888. In 1858 he became associated with the Western Savings Fund, and served actively there until a few months ago, being its president at the time of his death. He was the sole survivor of the original incorporators of the Philadelphia Board of Trade and was the oldest surviving member of the National Board of Trade, of which for the past thirty-three years he has been presiding officer. From 1837 to 1840 he served in the Pennsylvania State Senate. In 1838 he was a dele-

gate to the national convention which nominated William Henry Harrison for president of the United States and took an active part in the campaign that resulted in his election. He was a member of the Centennial Exposition Commission.

Representative E. L. Wight, of Dougherty County, will introduce in the Georgia Legislature, which meets next month, the bill to restore the deposit required of fire insurance companies in the State to $25,000. That was the amount required up to two years ago, when it was reduced to $10,000, mainly through the efforts of the late Clarence Knowles. The increase is favored by Comptroller-General and Insurance Commissioner Wright.

Mr. Frank Slavik, special agent of the Traders of Chicago for Illinois, was fatally injured at Sheldon, Ill., on September 18, while inspecting an electric light plant. Accompanying him was Local Agent L. D. Snow. An explosion occurred, blowing the building to pieces and carrying Messrs. Slavik, Snow and the engineer under the debris. The engineer was killed. Mr. Slavik died on Sunday from the effects of his injuries.

Mr. James Munsell, Jr., twenty-seven years the Pacific Coast general agent of the Mutual Benefit Life insurance company, died at San Francisco of heart failure September 19. Mr. Munsell had been in poor health for some time, and the shock produced by the news of the assassination of President McKinley, for whom he had a strong personal attachment, hastened his death.

Mr. Jefferson B. Brackett, the general agent of the Washington Life insurance company for many years in Maine, died at Portland, September 18, after a protracted illness. Mr. Brackett enjoyed the unique distinction of being the heaviest man physically in the State of Maine. He was obliged to go about in a low phaeton to avoid danger from falling when walking.

Messrs. S. Y. Tupper, Thomas Egleston, W. E. Chapin and Edward S. Gay are on the committee of Atlanta business men engaged in promoting the erection of a monument to the late President McKinley in Atlanta.

Mr. John Wildman, for forty-eight years president of the Bucks County Contributorship, of Morrisville, Pa., resigned on Tuesday and was succeeded by George M. Comfort. Mr. Wildman is ninety-one years old.

Mr. Henry C. Lippincott, agency manager of the Penn Mutual Life, has written an interesting and comprehensive article on "The Genesis and Development of Life Insurance" for the *United States Review*.

Mr. Wellington Hutchens, for many years a fire insurance agent at Baltimore, Md., died there from nervous prostration September 18, aged fifty-seven years.

Mr. Charles L. Walker, a general agent in the city of New York for the Prudential, died at his residence in Brooklyn on Sunday, aged fifty-three years.

Secretary of War Elihu Root has been elected a member of the board of directors of the Continental insurance company of New York.

Mr. R. M. Bennett, of Cincinnati, special agent of the Hanover Fire of New York, has resigned, to take effect November 1.

Mr. William Bayard Cutting has been appointed a director of the United States branch of the Commercial Union of London.

Mr. Daniel O'Leary, insurance agent at Detroit, died there on Sunday last from heart disease.

Bishop Whipple, of Minnesota, had $60,000 insurance on his life.

Miscellany.

NATIONAL CONVENTION OF INSURANCE DEPARTMENT COMMISSIONERS.

Proceedings of Thirty-Second Annual Meeting.

(*Special Report.*)

BUFFALO, N. Y., September 24.—The National Convention of Insurance Commissioners began its thirty-second session in the sun parlor of the Lenox Hotel at 10:45 o'clock a. m. to-day.

The president of the association elected at the last annual meeting, Mr. O'Shaughnessy, of Minnesota, being no longer in office, the presidency was vacant. The vice-president, Mr. Scofield, of Connecticut, being absent, the duty of calling the convention together devolved by courtesy upon the senior commissioner present, Mr. Linehan, of New Hampshire. The meeting having been declared open, on motion of Mr. Cutting, of Massachusetts, Auditor William H. Hart was called to the chair as temporary presiding officer.

Mr. Hart, in returning thanks, said that the course of politics had again left the presidency of the association high and dry. He would do his best to serve it. There were many practical questions incidental to their duties which could be discussed with profit by the convention, and the discussion of which would be of more value to the members than the reading of essays. For himself he was hopeful that the time would soon come when the supervision of the insurance interests would pass from the States to the Federal Government and when States would treat the business of insurance with equity and with the view mainly of preserving the solvency of the companies.

The secretary, Mr. Brinkerhoff, called the roll and seventeen States were found to be represented by the following delegates:

Alabama—R. P. McDavid, commissioner.
Delaware—George W. Marshall, commissioner.
Illinois—Henry Yates, superintendent; J. J. Brinkerhoff, actuary.
Indiana—William H. Hart, auditor of State.
Iowa—Frank F. Merriam, auditor of State, and Max Beehler, examiner.
Maine—Stephen W. Carr, commissioner; S. Herbert Wolfe, consulting actuary.
Maryland—Lloyd Wilkinson, commissioner.
Massachusetts—Frederick L. Cutting, commissioner; F. H. Hardison, deputy commissioner.
Michigan—James V. Barry, commissioner; N. D. Hadley, deputy commissioner.
Minnesota—Elmer H. Dearth, commissioner.
Missouri—Thomas H. Wagner, superintendent; J. P. Reynolds, acuary.
New Hampshire—John C. Linehan, commissioner.
New Jersey—D. P. Fackler, actuary.
New York—Francis Hendricks, superintendent; H. D. Appleton, deputy superintendent.
Ohio—Arthur L. Vorys, superintendent.
Oklahoma—J. C. Harvey, actuary.
Pennsylvania—Sam W. McCulloch, deputy superintendent.
Rhode Island—C. C. Gray, commissioner.
Tennessee—Reau E. Folk, commissioner.
Vermont—Fred. A. Howland and John L. Bacon, commissioners.
Wisconsin—A. F. Kinne, actuary of the department.
Wyoming—Leroy Grant, State auditor.

Ex-Commissioner Giddings of Michigan and Ex-Commissioner Ellerbe of Missouri were also present.

On motion the committee on credentials, Messrs. Carr, Vorys, Bacon, McCulloch and Linehan, was requested to retire and report on what constitutes eligibility to membership.

Mr. Vorys moved that the president appoint a committee of four to prepare suitable resolutions on the death of President McKinley. This resolution was adopted and Messrs. Vorys, Hendricks, Wagner, Carr and Grant were appointed such committee.

Mr. Appleton, on behalf of the New York State commissioners of the Pan-American Exposition, invited the convention to meet them at the New York State Building on the Exhibition grounds at 4:30 o'clock.

At the afternoon session the report of the committee on credentials was called for and Mr. Linehan, the chairman, stated that it was the opinion of the committee that the present representation of States in the convention should be continued for the present session, but that hereafter no person having official connection with any company in any capacity shall be a member of the convention; this rule to take effect at the meeting in 1902.

A lively discussion ensued, in which Messrs. Dearth, Linehan, Cutting, Wolfe and Appleton took part, and the latter proposed the following as an amendment to the report of the committee as outlined by Mr. Linehan and as a substitute for article 2 of the constitution:

Its membership shall consist of the commissioner, superintendent or other official who by law is given charge of insurance matters in each State or Territory, or other person officially connected with a department who is wholly and exclusively employed by said department, and who is a legal resident of the State wherein the department is located.

Mr. Appleton claimed that under the constitution it was not necessary to postpone the consideration of amendments until next year, but that definite action could be had at the next session, which would be to-morrow.

On an appeal to the chair for its decision, Mr. Appleton's contention was sustained and the matter will be discussed at

the session of Wednesday morning, and the conclusion then reached will decide the status of membership for this and future conventions.

The feeling that prompts this action appears to be caused by the presence as delegates of such gentlemen as Mr. Wolfe, accredited as a representative of the Maine insurance department; Mr. Fackler, representing the New Jersey department, and Mr. Harvey, who represents Oklahoma, all being by profession consulting actuaries. As stated by the Chairman of the Committee on Credentials, Mr. Linehan, it was found difficult to draw the line so as to exclude this class of delegates and yet retain such actuaries as Mr. Brinkerhoff, of Illinois, and Mr. Reynolds, of Missouri; but the resolution of Mr. Appleton would seem to cover the point by requiring the delegate to be a resident of the State in which the department represented is located.

A hearing was given by the convention to Mr. Robinson, representing the Associated Fraternities of America, and Mr. Aikin, representing the National Fraternal Congress, upon the subject of uniform laws governing the admission of fraternal orders by State insurance departments, the regulation of their business and the requirement of adequate rates. Each of the speakers was granted a half hour to present his case.

The following standing committees were appointed by the president:

Laws and Legislation—H. D. Appleton, S. W. Carr, J. C. Linehan, F. L. Cutting, J. V. Barry.

Miscellaneous—F. F. Merriam, Levy Grant, George W. Marshall, F. S. Howland, J. C. Linehan.

Rates of Mortality and Interest—R. E. Foster, S. H. Wolfe, J. J. Brinkerhoff, D. P. Fackler, J. B. Reynolds.

Blanks—S. H. Wolfe, F. L. Cutting, J. J. Brinkerhoff, Francis Hendricks, J. B. Reynolds, S. W. McCulloch.

Unauthorized Insurance—C. C. Gray, J. L. Bacon, H. D. Appleton, T. H. Wagner, E. H. Dearth.

Place of Meeting and Officers for 1902—F. L. Cutting, S. W. Carr, S. W. McCulloch, A. I. Vorys, Henry Yates.

Reserve Other than Life—A. I. Vorys, F. S. Howland, Max Beehler, F. L. Cutting, H. D. Appleton, J. B. Reynolds, N. B. Hadley.

Assets of Insurance Companies—F. H. Hardison, J. V. Barry, T. H. Wagner, E. H. Dearth, N. B. Hadley.

Credentials—S. W. Carr, A. I. Vorys, J. S. Bacon, S. W. McCulloch, J. C. Linehan.

The convention then adjourned to Wednesday morning.

WEDNESDAY'S PROCEEDINGS.

BUFFALO, N. Y., September 25.—The second day's session began at 10:30 o'clock a. m., with Mr. Hart in the chair as acting president. The report of the committee on credentials was at once taken up and Mr. Appleton offered the following as a revised form of the amendments to the constitution proposed by the committee. They were unanimously adopted:

ARTICLE II. Its membership shall consist of the commissioner, superintendent or other officer who by law is given charge of insurance matters in each State or Territory ; provided, however, that such official may delegate as his representative any person officially connected with his department who is wholly or principally employed by said department, and who is a legal resident of the State wherein the department is located.

ARTICLE III. No person having any connection with any insurance company, except as a policy-holder, shall be a member of this association.

Further discussion was had as to the amendments applying to the delegates to the present meeting, which resulted in the decision that the representation as shown by the roll call shall be accepted for this convention and that in the future the membership shall be in accordance with Articles 2 and 3 of the constitution as amended.

REPORT OF THE COMMITTEE ON LAWS AND LEGISLATION ON UNIFORM LEGISLATION.

The committee on laws and legislation made the following report:

At Hartford last year a motion was made by Mr. Heifner of Washington that the committee on laws and legislation to be appointed be instructed to make a report to this convention on certain principles or essential propositions looking to uniform State legislation. As a result of this act of the convention, the following letter was addressed to each of the State insurance departments represented at the last convention:

June 18, 1901.

MY DEAR SIR—At the thirty-first annual convention of insurance commissioners, held at Hartford in September last, Mr. Heifner of Washington moved that the committee on laws and legislation be instructed to make a report at the next convention on certain principles or essential propositions looking to uniform State legislation; that the commissioners of the several States be requested to send to said committee their views as to what should be contained in a uniform code.

In order that the committee on laws and legislation may intelligently carry out its instructions you are requested to send such suggestions relating to the matter in question as you may deem advisable. It is suggested that you make specific mention of what you may deem essential features of a uniform insurance code. To those provisions of the insurance law of your State which have proven most satisfactory to your department reference should be made; and if the law contains provisions which in your judgment are unsatisfactory, they also should be referred to. Such a statement will materially aid in perfecting a report which will be of interest and may contain recommendations of a general character for insurance legislation which can be accepted by each and every State department. A marked copy of your insurance law would be of great assistance to the committee.

Your early attention to this communication will facilitate the compilation of the returns from the different States and the preparation of the report thereon. You are requested to send such data as you may be willing to prepare to

Yours very truly,
HENRY D. APPLETON,
Chairman Committee Laws and Legislation.

It was the intention of the committee to tabulate the replies from the various departments for the purpose of indicating such recommendations as might come from all or a majority of the States. The responses, however, have been so few that it has not been deemed advisable to attempt such a classifications. Suggestions having been received from Illinois, Massachusetts, Michigan, New York and Vermont only, we have deemed it advisable to attach to this report and to make as a part thereof the suggestions made by each of the above States.

Respectfully submitted.

Illinois.

A uniform code should, in my judgment, deal with the conditions and requirements in respect to the admission into one State of companies organized in other States and in other countries. I do not think it necessary to go into details on this point as the information possessed by the members of the committee as to the requirements in this matter will enable them to harmonize and agree upon the essential conditions and requirements.

The general features and a descriptive plan of the annual statement required of companies should be prescribed in the code. I take it that it is impracticable to formulate the statement as a whole, but such provisions could be enacted as would conduce very materially to uniformity in the statement blanks. This is a matter about which the companies have complained for years and I think the removal of the difficulty could be facilitated by proper provisions in the law.

The law should also regulate the investments of companies and prescribe the character of assets which may be admitted. The laws of several States do this now, but it would be in the interest of uniformity in supervision, as well as in the line of uniform statements, if the provisions of the various laws could be harmonized.

The taxes and fees to be paid by companies should be prescribed in the code. The proper amount could be determined from an examination of the laws of a number of the representative States.

A standard form of fire insurance policy should be prescribed. I think the standard forms now prescribed in a number of the States are substantially similar and measurably satisfactory.

The provisions of the resident agents law such as is in force in a number of the States should be included.

Reinsurances by fire insurance companies should be regulated and confined to authorized companies.

A limitation should be imposed as to the amount assumed

on any one risk, especially as relates to fire and casualty companies.

A regulation as to the advertisement of assets would be a proper provision, restricting the advertisement of statements of condition to that shown by the statement of the company filed with the department and as allowed by the insurance commissioner.

In this State the law prohibiting the removal of suits from the State to Federal courts has been found to work in the interest of the citizens of this State and to be a beneficial provision in respect to them. I believe it would be proper to embody such a provision in the code.

A uniform basis of computing the reserves of life insurance and the unearned premiums of fire and casualty companies should be established.

The most drastic provision possible prohibiting rebating in the life insurance business should be included.

I believe it would be good policy to include a regulation and description as to the classes of business which a casualty company would be permitted to combine and also defining the business which might be carried on by a life insurance company.

The code should include provision as to the deposit required of foreign insurance companies, both fire and life; the appointment of trustees by such companies to hold the assets in this country, and provision that such foreign companies be treated by the departments in the matter of admission and determination of condition upon the basis of their United States branch statements.

Massachusetts.

In the following respects at least it would seem that the laws of the various States relating to insurance might be uniform:

1. Prohibition of all kinds of insurance not specifically authorized by law. This would prevent the inception of many fake insurance schemes, as there would be no State in which they could start by reason of the law's silence to surreptitiously overflow into other States where prohibited by law.

2. The conditions for the admission of insurance companies of another State or of a foreign country should be uniform in essentials in all the States.

3. The insurance commissioner should have authority to examine any company doing business in the State he represents whenever he considers it necessary, not with the expectation that he will often use that authority, but as a safeguard in extreme cases when he has good reason to believe that the home department will not make a proper examination or when it neglects or refuses to make one after request. Companies should not be required to compensate examiners regularly in the employ of the State. All such should be paid by the State; but the cost of special experts employed for examination purposes in special cases might be made a tax upon the company examined.

4. Authority should be given the commissioner in all cases to revoke the authority of a company in an unsound financial condition.

5. Uniform fees are desirable, thus avoiding the necessity of applying retaliatory laws.

6. Blanks for annual statements should be uniform and the abstracts from them used in the printed reports should be as near uniform as the laws of the various States will permit. To have the statements printed in the published reports of the department identical in respect to all their figures is too much to expect if departments are to have any authority to make changes by their audits.

7. Deposits with the State department by insurance companies should be for the protection of all their policy-holders and not alone those of the State where the deposit is made. If not of general availability all such deposits should be regarded as special and not allowed as assets of the companies by outside States.

8. Each State should have resident agents and compel the companies to write all other business in the States in which they are authorized through those duly licensed resident agents.

9. If a company reinsured any of its business in an unauthorized company it should have no credit for that reinsurance, but should carry a reserve itself upon the amount, just as if it had not been reinsured. This uniform provision would render identity of results in the statements impossible, to be sure, unless exactly the same companies were authorized in one State as in another, or unless a company reinsured in only those companies authorized in all the States.

10. A standard form of fire policy with provision for necessary riders appears to be very desirable, and it is a question whether a standard form of policy for some other classes of companies would not be practicable and expedient. In all standard forms there should be a provision for arbitration in cases of failure of parties to agree upon the amount of loss or damage.

11. Fraternal beneficiary corporations which are to operate outside of the States where they are incorporated should be on the lodge plan, have a representative form of government in fact and not in appearance only, provide for the initiation of members and have a ritualistic form of work. For new fraternal companies minimum mortality rates should be required, which rates should be reasonably ample. For the old fraternal companies with rates demonstrably too small, the laws should at least make it expedient for them to raise the rates and inexpedient to carry on business at a loss.

12. Assessment life insurance except through fraternals should be prohibited, but such companies should be given authority to carry out contracts already made.

Michigan.

In the first place a code of laws should be uniform in its classification of the various kinds of insurance, thus avoiding the injustice, now frequently encountered, of a company organized in one State to conduct certain lines of insurance finding itself debarred from a portion of its business in another State because of a different classification therein.

There should be uniform requirements for incorporation, including capital stock, number of members, amount of deposits, objects, etc. This is absolutely necessary in my judgment if he companies are to transact business freely in the different States.

The requirements as to standards of valuation, solvency and reserves should be uniform in order that greatly increased expense and labor may not be entailed upon companies in the matter of keeping their books and making reports to the several insurance departments.

Whatever restrictions are placed about insurance companies should be as uniform as possible in justice to both the companies and policy-holders. I am of the opinion that there should be no restrictions that are not absolutely necessary for the protection of the public.

The jealousy between States on the subject of fees and taxes is so intense that it is quite impossible to alter present conditions in this connection unless it would be by substituting a uniform system that would increase the revenue of each. This, of course, would be impracticable, if not grossly unjust. I believe the fee system as applied to insurance or any other business is wrong both in its inception and execution. Although the taxes levied by the State of Michigan are higher than those levied in many other States, yet the plan of simply collecting a percentage on the premiums collected and the elimination of fees except as required by the retaliatory law, has commended itself to the department and the companies as well.

If I may be permitted to do so, I beg to say that in my judgment the interpretation given the laws by insurance departments is of far more importance to the insurance interests at this juncture than even a uniform code of laws. A department that is constantly turning over every letter of a law in the hope of discovering a technicality that may be exploited or some unimportant requirement that may be used to harass insurers can doubtless find full sway for its inclinations in this direction under any code of laws that may be enacted. It makes little difference whether this tendency is due to avarice or arrogance, it can be depended upon to give birth to more trouble and injustice than any possible divergence in the provisions of the laws.

New York.

The New York insurance code of 1892 was the first attempt on the part of our State to codify the insurance laws in one chapter, and in so doing there was enacted the general Article I., supposedly applicable to all insurance corporations excepting fraternals and town and county co-operative fire companies. The department's experience with this general article has been most unsatisfactory.

It is very difficult to draft a general article which can be made applicable to all classes of insurance corporations. In our judgment more satisfactory results are obtainable when an insurance law is divided into separate and distinct articles, each relating to a specific class of corporations, and being the complete law governing the same. It is, of course, understood that in preparing a code of this character repetitions will occur which, in a manner, can be avoided with a general article;

still, such repetitions are preferable to the uncertainty of construction attendant to a code carrying a general article. Probably it will be found impracticable to pass a uniform code in all States of the Union. As a matter of fact our own experience has been that we are not always able to secure remedial legislation in the nature of amendments to our existing insurance law, which in the judgment of the department should be enacted. There are, however, certain well defined and essential provisions which should be incorporated in the insurance laws of all States, and their enactment would be of material benefit in the direction of proper supervision and the simplification thereof.

We would recommend that:

First. All general deposits of insurance corporations held by the fiscal officers of any State should be for the protection of all policy-holders, excepting those held on account of foreign corporations of other countries, when they should be held for the protection of policy-holders in the United States only.

Second. The character of securities in which insurance companies may invest should be expressly provided for. Deposit investments should be specified and should be of the same general character as set forth in Section 13 of the New York insurance law, with the exception that bonds and mortgages should be on improved real estate worth double the amount of the loan.

Third. Every stock insurance company should be organized with a surplus to the amount at least of $100,000 in order to avoid impairing its capital on commencing business.

Fourth. A limitation of the amount of risk which may be assumed by any one company similar to that contained in Section 24 of the New York insurance law should be provided for.

Fifth. The standard form of fire insurance policy now in use in New York and various other States should be adopted by all States, provision being made for proper changes in the riders to be used in connection therewith, as enacted in the amendment to Section 121 of our insurance law this year.

Sixth. A uniform basis of computing the reserve of life and certain branches of casualty insurance; and the unearned premium of fire and other branches of casualty insurance should be adopted.

Seventh. An insurance corporation reinsuring the whole or any part of any policy obligation in any other insurance corporation should not be allowed or given credit for a reduction of its liabilities when such a reinsurance is effected in unauthorized companies.

Eighth. A law for the surrender or assignment of policies which is in harmony with the decisions of the courts and the practice of the companies should be enacted.

Ninth. The risks which may be assumed by any one corporation should be so classified that corporations operating at various points may not assume at one point lines of business not permitted at others. An insurance corporation organized under one provision of the insurance law should not be permitted to encroach upon the lines of business contemplated and provided for under some other provision or article of the law.

Tenth. All foreign insurance corporations of other countries should be permitted to make advertisements of their actual assets and liabilities in the United States only.

Eleventh. The organization of assessment life insurance associations should be prohibited. This suggestion is not intended to apply to assessment associations operating through subordinate lodges and known as fraternal orders.

Twelfth. The laws regulating fraternal orders should have careful revision, placing such associations under proper departmental supervision and control. All such orders hereafter organizing should be permitted to write death benefits only, and should be required to charge as a minimum a net premium calculated upon the American Experience Table of Mortality, with interest at the rate of 3½ per cent. per annum, equal to that of a yearly term insurance at the age of entry or renewal of policy, and to carry as a reserve an amount at least equal to one-half of the premiums received within the year. The orders creating such reserves should be required to invest the same in the same class of securities in which life insurance corporations invest their assets and every possible safeguard should be thrown around such fund. They should be required to have representative forms of government and should be truly fraternal in their character, as the essential element of success of such orders is the fraternal spirit to be found therein.

Thirteenth. Each State should embody in its insurance law an express provision recognizing in so far as it is possible to do so the results of examinations of corporations made by a home State department. Examinations of other than domestic corporations should only be undertaken upon the invitation of the home State department or when the home department upon request on the part of the other State department fails to furnish the specific data and information called for. The spirit of the resolution adopted at Hartford last year in the matter of the examination of insurance corporations should be enacted in the insurance law of each State of the Union.

Fourteenth. Every department should have the unqualified right to refuse admission to any foreign insurance corporation when in the judgment of the superintendent such refusal would best promote the interests of the people of the State, and every supervising official should have authority to revoke at any time the authorization of a company found to be in an unsound financial condition.

Vermont.

I think that there should be uniformity of taxation, of the rules for admission, of the valuation laws and a general acceptance by one State of the examinations made by another State department. In all these respects, as well as on the blank question, you are in accord as I understand, with the attitude of the Vermont department.

It does seem to me that in view of the numerous examinations that are being made no department ought to go into another State to make an examination without first making inquiry of the home department as to the matters sought to be cleared up by the examination, and if an examination after such inquiry is then found to be necessary, there should be filed with the home department specific reasons for making the independent examinations and not accepting the findings of the home department.

My idea as outlined may be impracticable, but the idea I would like to develop is that one department going into another State to make an examination should before doing so first learn from the home department whether the matters in doubt cannot be cleared up satisfactorily by that department, and in any event should be able to state their reasons for going into foreign jurisdiction and making an examination.

The report was duly accepted and discussion upon it was deferred to the afternoon session.

NATIONAL SUPERVISION.

Mr. L. A. Anderson was introduced and read an argument on "The Constitutional Aspects of Federal Regulation of Insurance Companies." We have space only for Mr. Anderson's conclusion, his paper being very long and exhaustive, covering thirty-two typewritten pages. The conclusion was as follows:

In conclusion I will say that, judging from such facts as I have been able to obtain, I believe that national supervision of insurance is greatly to be desired and is sure to come. The business has grown from the meagre beginnings of a few companies whose business (especially before steam and electrical communication) was confined to the State and locality of its home office to a business that is not only local, but interstate, international—cosmopolitan.

As the business has grown, so the attention of the Government to the subject has increased; a multitude of political offices have been created and a conglomeration of inharmonious and conflicting laws have been passed—all aiming to keep these enormously growing business interests within proper bounds and to protect the policy-holder.

I find no less than four clauses in the constitution under which natural supervision has been urged, each of which would give Congress sufficient authority to take some action in this matter, and I believe the Supreme Court would uphold it if Congress took proper action. It is no more necessary to specify in the commerce clause that it shall include insurance than it is to specify that it shall include telegraph and passenger traffic; nor is it any more necessary than to specify that copyrights and patents shall include trade marks, or that the clause giving Congress power to establish post offices and post roads should give Congress power to establish a money order business, which so strongly resembles a banking business, or that it should allow the carrying of parcels through mails, which so strongly resembles the express business. It is no more necessary than to specify that the clause giving Congress power to coin money, regulate the value thereof and of foreign coin, and to borrow money should carry with it the power to establish a bank, and it is no more necessary than to specify in the clause directing Congress to take the census for the two

purposes, of apportioning representatives and direct taxes, that it shall have power to spend millions of dollars for the collection and distribution of industrial statistics, vital statistics, economic statistics, etc. No, the best purpose of a constitution is to lay down *general rules* and safeguards and to let the law making power fill in the details.

Let me say that in making these statements I do not wish to convey the idea that we should bring all our grievances to the Federal Government, nor do I wish to be understood to be in favor of complete centralization of all political power in the hands of the Federal Government. Far from it. What we need is a national readjustment of our governmental agencies to meet the needs of our ever-growing and ever-changing social and industrial forces. Is there any sound reason why the postmaster of a little country post office should receive his appointment from Washington, while a town clerk should be elected by the voters of his town? Again, is there any sound reason why the local census taker should receive his appointment from Washington, while the assessor who is sometimes called upon to fix the taxable value of corporate property which extends throughout the entire length and breadth of the country should be elected by a local constituency?

A little candid consideration of these questions will convince anyone that some of the things now done by the central Government could be managed fully as well by the local units, and that some of the things now done by the local units could be much more effectively and economically done by the central Government.

The work of the constitutional convention was not the work of a day, or of a month, or even of the entire time that it was in session, but it was the work and experience of centuries codified into workable law. Nor is the constitution as it is to-day and the Government in its present form the work of that convention. They separated what they then saw to be of a national character from what was of a local character, and as time has advanced there has been a continual segregation of Federal from local functions—sometimes by mere interpretation and sometimes by constitutional amendment—sometimes gradually and sometimes more quickly, and the Government never stood closer to the individual or ever did more for him than it does to-day. Let no ultra-conservative constitution orthodoxy stand in the way of this much needed reform. There is ample authority for Congress to take action, and the sooner it is done the better.

The thanks of the convention were extended to Mr. Anderson for his able paper.

UNIFORM BLANKS.

The following resolutions, offered by Mr. Cutting, of Massachusetts, were adopted, and the committee on blanks was directed to carry out their provisions:

Resolved, That the committee on blanks be instructed to prepare and present to the next annual convention a uniform blank for annual statements of life companies, and also for fire and marine companies; that such committee shall present the blank prepared to be adopted to each of the officials having charge of insurance matters in the several States, with the request that said blanks be returned to the committee not later than May 1 next, with such criticism and suggestion as may seem proper; and that it is the sense of this convention that after the adoption of the uniform blanks no radical change shall be made therein other than absolutely required by the laws of the separate States, until such changes have been referred to and adopted by this convention.

Resolved, That the necessary expenses in carrying out the foregoing be assessed upon the members of the convention by its secretary, after proper vouchers have been submitted to him for that purpose.

The convention then took a recess.

The afternoon session was called to order at 2:30 o'clock, and the report on laws and legislation was called up for discussion. Considerable time was spent in obtaining the opinions of the members. While they are of no immediate value, they will be of assistance to the committee, to which, on the motion of Mr. Vorys, the report was referred back with the request that it would formulate a system of uniform laws for consideration at the next annual convention.

ELECTION OF OFFICERS.

Mr. Cutting, on behalf of the committee on nominations of officers for the next year and place of meeting, reported the following recommendations:

For officers—W. H. Hart, of Indiana, for president; F. A. Howland, of Vermont, for vice-president; J. J. Brinkerhoff, of Illinois, for secretary. For executive committee: Henry D. Appleton, of New York; F. L. Cutting, of Massachusetts; Thomas H. Wagner, of Missouri; Arthur L. Vorys, of Ohio; Stephen W. Carr, of Maine.

For place of next annual meeting, Columbus, Ohio.

On motion, the secretary cast a ballot for the adoption of the report.

President Hart returned thanks for the honor in felicitous terms.

Mr. Linehan, of New Hampshire offered the following amendment to the constitution, which was adopted:

SECTION 4—(Add the words) But no person shall be eligible for the office of president whose term of office expires before the assembling of the annual convention subsequent to his election.

THE DEATH OF PRESIDENT McKINLEY.

Mr. Vorys, chairman of the committee to prepare resolutions expressive of the sense of the convention on the death of President McKinley, presented the following minute:

William McKinley, President of the United States of America, is dead. By an assassin, whose only motive was the destruction of the highest representative of orderly government, he was shot on September 6. He died September 14, 1901.

He was an ideal Chief Executive. He was from the people, elected by the people and sought to and did minister to the greatest good of all the people.

In war, in statesmanship, his life devoted to public service was inspired by a lofty patriotism, the consciousness of enormous responsibilities and the sublime ambition of establishing peace, contentment and prosperity in his country, and for it prestige, respect and admiration abroad.

His death marks the climax in the marvelous onward, upward triumphant progress of the nation. The seed sown by the fathers has reached fruition and it challenges all comparisons. Its beauty, flavor and fragrance are tinged by the ministering, masterly genius of William McKinley.

At his sudden tragic departure from this sphere of ineffable usefulness 70,000,000 of his countrymen, each as bereft of his dearest friend, are stricken in grief and the world is prostrate in sympathetic mourning.

The industries and institutions of our country are shocked and, in common with all, the great insurance interests are appalled. In their behalf and as expressive of our own sentiments, the National Convention of Insurance Commissioners here in the shadow of that great crime register this testimonial of the matchless perfection of his splendid magistracy, his exalted Christian character as a fellow citizen and his lovely devotion to his noble wife.

In this awful calamity, however, there is a lesson and an inspiration. In common with all mankind, we urge upon the State and nation the enactment of laws for the prevention and punishment of anarchists, their accessories and all those who encourage or incite them; laws which shall distinguish free speech and free press from license and forbid and punish all acts promotive of the nefarious plots of anarchy.

Mr. Wagner of Missouri moved the adoption of the report and that out of respect to President McKinley the convention now adjourn, which was carried.

The members of the convention and their guests were entertained by Superintendent Hendricks in a special car on an excursion to Niagara Falls.

FIRE UNDERWRITERS' ASSOCIATION OF THE NORTHWEST.

Proceedings of the Thirty-second Annual Meeting.

(*Special Report.*)

The thirty-second annual meeting of the Fire Underwriters' Association of the Northwest was held at the Auditorium Hotel, Chicago, Ill., on Wednesday and Thursday of this week. President P. D. McGregor occupied the chair.

The meeting opened with the largest attendance in its his-

tory—over three hundred members being present. Thirty-nine new members were elected.

The first business after organization was the reading of his report by the treasurer, Mr. J. A. Kelsey. He reported receipts of $6,075, disbursements of $3,446 and $2,629 on hand. This was the best showing of any year with one exception. Mr. Marshall, chairman of the finance committee, complimented Mr. Kelsey's system and services.

The following gentlemen were elected honorary members: H. M. Magill, J. F. Downing and I. W. Holman.

THE PRESIDENT'S ADDRESS.

President McGregor, in addressing the association, said that the fact that this was the thirty-second consecutive year that the association had met and that it was now more vigorous than ever, was probably the strongest testimony we could have that it is a most important factor in the evolution of fire insurance and has followed closely upon the lines laid down by its founders in 1871.

The president said that this was a forum open to all members and he trusted that the program prepared would furnish material for the fullest and freest expression of opinion. He mentioned the twelve valued members who had died during the year and appointed committees to prepare resolutions upon each. He asked for further action by the association in relation to the expenditure of moneys for the library and suggested that the advisability be considered of changing the custom of electing to the presidency of the association alternately a field man and an officer of a company, so that field men would oftener have an opportunity to gratify a laudable ambition. The president thought that it would be fairer if members holding the managerial positions should have the honor about once in five years.

Mr. H. N. Wood, of Omaha, presided while the president read his address, and upon its conclusion it was referred to a committee composed of H. C. Eddy, John P. Hubble and John Marshall, Jr., of Chicago; J. M. Richards, of Omaha, and R. L. Raynolds, of Columbus.

ANNUAL ADDRESS BY J. F. DOWNING.

The annual address was delivered by Mr. J. F. Downing, general agent of the Western department of the Insurance Company of North America and the Philadelphia Underwriters. Mr. Downing discoursed at considerable length on the present unprofitable condition of fire underwriting, which he attributed in a general sense to a radical departure from the fundamental principles of fire insurance. Then, coming to his ideas of the remedies for this condition, he said:

What I venture to claim as the paramount duty of fire insurance companies, at this time, may be stated as follows: First, to devise and adopt some uniform system or plan of classification of fire hazards, to be used by all fire insurance companies doing business in the United States. Second, to provide for the combining of the experiences of said companies, giving us what may be called our "Combined American Fire Insurance Experience." This should, in due time, give us sufficient reliable data to enable us to place fire insurance rating upon a mathematical and scientific basis. It is certain that nothing else will! When we know, and the insurance officials know, the amount of gross premiums received by all the companies for insuring each and every class of property, and the losses incurred thereon, respectively, we will have just what we now most need; and let me add, we will have something eminently conclusive and satisfactory "on which to go to the country," as the politicians say! I propound no new proposition; it is something that has for some years been strenuously urged by a number of our ablest and most experienced fire underwriters. But up to this time, unfortunately, the proposition has been treated with more or less indifference on the part of a majority of the companies.

Probably there are some companies that may wish to keep to themselves what they may regard as the secrets of their business; they may have, or think they have, somewhere a goose laying golden eggs, whose particular location they would like to conceal. But, in the long run, there is nothing to be gained by such a policy; we are virtually all in the same boat and should pull together; and past experience shows that no goose laying golden eggs for any company is permitted long to live. Some of us may be selfish enough in these days to wish that we had not only one such goose but a dozen of them; but they are not protected by the game laws, and there would be no telling how soon they would be scented and bagged!

THE PRACTICAL QUESTION BEFORE US

is, How can we make sure that the paramount duty referred to will be duly attended to? In my poor judgment, it will require more than moral suasion to induce all the companies to fall into line; it will require the help of the lawmaking powers. I venture to suggest the following plan to meet the difficulty: Let some organized body of practical fire underwriters appoint a commission composed of, say, three or five competent and experienced experts, to make a thorough study of the whole matter and formulate a system or plan for the uniform classification of fire hazards throughout the entire country, with such modifications as to certain States as may be necessary in order to adapt it to the special conditions therein. This work having been accomplished, the next step should be to apply to the Legislature of some leading State—say the State of New York, the birthplace of the standard policy—for the passage of a law requiring all fire insurance companies doing business therein to make use of the system or plan of classification approved by said commission. Soon as practicable, steps should be taken to secure similar action in other States. The insurance officials in the several States should lend a helping hand in this good work. They show a propensity for requiring more and more information from insurance companies, in their annual reports; and there is nothing new that they can think of which will do so much good as what may be called "compulsory classification."

Experience shows that it will be difficult, if not impossible, to secure the general adoption and use of a uniform system of classification, without compulsion from some quarter. The history of the New York standard policy is a case in point. The Legislature of that State passed a law appointing a commission composed of three New York gentlemen versed in fire insurance, with full power to formulate a policy to be called the "Standard Fire Insurance Policy of the State of New York." On the completion of the work a duly certified copy of the policy was required to be placed on file in the Insurance Department at Albany; and thereupon it was to become the standard or exclusive form of fire policy to be used in the State of New York. The commission performed its work, with results that we all know. Now, suppose that all the fire insurance companies of New York had been permitted to have their say about the proper form of policy—the conditions to be inserted—what would have been the result? Of course, nothing would have been accomplished. In this connection I might mention the fact that a few years ago an effort was made to secure the adoption of a standard tornado policy, to be used by all companies doing a tornado business. A committee was appointed, and in due time a form was unanimously agreed upon; but only a part of the companies have adopted it.

It should be stated that any law requiring fire insurance companies to use a uniform system or plan of classification of fire hazards should also provide for the time and manner of making reports to the insurance department of the State in which the law is in force; also, for the time and manner of consolidating or combining the information submitted, with the view of using the experience gained as a criterion for the proper rating of risks in such State. This information should be given in such a way as to make it an impersonal matter—no report to be designated as coming from some particular company. I need not discuss the details of such a law. Of course, the experiences of any one year will not furnish a sufficient guide for making rates; and it may be necessary to wait five years at least before attempting to promulgate, with proper official approval, any standard by which rates are to be fixed. This will be a matter of easy adjustment when we are once fairly under way. In this connection, however, I beg the privilege of saying that, in my poor judgment, it will be in "accordance with the eternal fitness of things" to classify the business done by States, so that the premiums collected for insuring the property in any one State shall be sufficient, as a rule, to pay the losses, taxes and agency expenses in such State, together with a proper share of the expense of general management, leaving a fair margin of profit.

Each State has its own way of providing for the expenses of government—State and local—and the cost of the fire waste therein should be paid for by its citizens. In case of some of the smaller States lying contiguous to each other, or States and Territories sparsely settled, it may be expedient to group two or more of them together for purposes of classification; and in the case of certain kinds of so-called "special hazards," it may be wise to combine the experience in two or more States without regard to their size or importance. But, as a rule, and especially in respect to most kinds of risks, I believe it sound policy to look to each State for sufficient revenue from fire insurance to pay the losses therein. Occasionally, it will be necessary to borrow from the revenues received elsewhere, to pay extraordinary losses in some unfortunate State; but the sum thus borrowed should be sooner or later returned. Great conflagrations, like the burning of Chicago or Boston—calamities which happen only once or twice in a century—may form an exception to the rule, being regarded as national misfortunes. The rule suggested seems to me just and equitable for these reasons among many that may be thought of: Under its operation those States that have valued policy laws and other foolish laws, the tendency of which is to increase the cost of insurance, will reap their reward, which would be right.

So, too, will those States whose towns and cities are lax in enacting and enforcing proper building laws—that pay too little attention to proper safeguards in the electric wiring of buildings and in the storage and handling of dangerous explosives—that pay no attention to the ferreting out and punishment of incendiaries, acting upon the theory that no one is to be benefited outside of the insurance companies—be permitted to reap according to what they have sown. Those States, also, which impose unreasonable taxes and license fees; that authorize every little municipality (to say nothing of the larger towns and cities) to exact a heavy penalty for the privilege of doing business therein; that empower the courts to add a large penalty to a judgment that may be obtained against an insurance company; where jurors, owing to a vicious public sentiment, act upon the theory, in rendering their verdicts in insurance cases, that you cannot hit an insurance company too hard, whatever the facts of the case may be; those States, I say, which treat us more as outlaws than anything else should be made to pay for the injury they inflict upon us.

LET EVERY TUB STAND ON ITS OWN BOTTOM!

Let the experience in Missouri or Tennessee decide as to the rates in those States respectively; and let the experience in other States, North or South, East or West, be applied in like manner. The State of Missouri, for one, is entitled to a prescription of this kind—a pauper State, from the fire insurance standpoint, and yet one of the most hostile to fire insurance companies! It behooves this State to stand up and exclaim, in the words of Hamlet: "Beggar that I am, I am even poor in thanks!"

Whatever may have been the experience of fire insurance companies in the past, or whatever may be the amount or character of the information any of them may possess at this time, it is manifest that we need such a system of classification as will, when the experience of companies has been combined, give us, as near as may be, the actual cost of insuring the different classes or kinds of property, with the view of fixing schedules of rates that shall have the stamp of at least quasi-official approval on the part of the State insurance officials.

Having such stamp of approval—property owners being reasonably assured that they are being fairly treated—the charges of robbery or extortion by fire insurance companies would cease, or produce little harm if made. Satisfy property owners that we know, from combined experience, what it is worth to insure their property, whatever it may be—whether a dwelling house, a chair factory or a distillery—and that rates of insurance have been fixed according to actual experience, and we will remove a big stumbling block now standing in our way. "Great is truth and mighty above all things," saith the Scriptures! No one dreams of securing absolute exactness in the rating of fire hazards, no matter what the teachings of experience may be; but that is no reason for not doing the best we can to satisfy the misgivings of property owners as to the correctness of our methods, while at the same time we make sure that we get a fair price for the indemnity we sell. In matters of taxation generally (and fire insurance may be called a tax), there is difficulty in meting out equal and exact justice to all. Inequality in assessments is a subject of frequent complaint; and we cannot expect to escape complaints in our business.

Human nature is human nature, and there will always be certain characters who will be only too happy when they can get something valuable for nothing; they enjoy fights between insurance companies immensely! Many others, all very good people, will feel that they are paying too much for what they get so long as they have no chance to make a claim for loss. Have you noticed of late what an increase of small claims for loss there has been? It does sometimes seem as if there were an undue number of policy-holders who contrive, in some way, to make a claim that shall be equal at least to the premium paid! Only a few months since I was called upon to consider a claim for loss caused by the burning of some beefsteak while in the frying-pan! It would be pertinent to inquire whether the great liberality of companies in the treatment of losses, large or small, to which reference has been made, has had the effect of encouraging policy-holders to make claims for damage which so frequently appear to us ridiculous.

I do not overlook the fact that there will be

MUCH TO OVERCOME

—many difficulties to meet—in carrying forward the work of reform which I have urged to the best of my ability. But there is nothing to be encountered which we cannot overcome, if we set about it with sufficient determination and will. It was a mighty difficult task to capture Santiago and the Spanish army; but American valor and pluck did it—we "got there"! Starting with what we call "basis rates," it requires much intelligence and skill to apply properly any system of schedule rating. But there are no insuperable difficulties, as President Moore, of the Continental, has so clearly shown in his able elucidation of what he calls the "Universal Schedule." And then we have from the able pen of Mr. A. F. Dean an important work called "Fire Rating as a Science." It is worthy of careful study; but I hope I may be pardoned for the suggestion that, before undertaking to master the contents of this book, it would be well, as a mental preparation—for a brushing up of the reasoning faculties—to spend some time in the study of Locke on the Human Understanding, Butler's Analogy or some other philosophical work.

I say this not in criticism, but in recognition of the highly philosophical manner in which the various subjects discussed are treated. We welcome the assistance of the two able and resourceful fire underwriters just named, and owe them a debt of gratitude for what they have done—the ideas and information they have given us. In this connection I take pleasure in calling attention to the fact that a committee of experienced fire underwriters in Chicago, of which Mr. J. W. G. Cofran, of the Hartford, is chairman, has formulated a mercantile schedule applicable to brick and stone buildings; also schedules for metal workers and several other classes of hazards. The work of this committee is worthy of special commendation, and is being prosecuted as vigorously as circumstances will permit. The basis rates are determined by actual experience, so far as it is practicable to ascertain what the actual experience is. When we have fuller or more complete information on this subject, more accurate work will be practicable. In the meantime, let us do the best we can; we know enough about our business to justify the attempt to make rates that shall be reasonably correct, though probably not on a strictly mathematical and scientific basis. Uniform classification will give us what is now lacking.

It may be asked what are we going to do to keep our ships from sinking, while we are waiting for the new order of things, which may be a considerable time in coming; what we are going to do about trying to secure the repeal of the bad laws now oppressing the companies. All we need say is: We will do all we can, and the fact that we have made a beginning of the good work projected, and are earnestly pursuing it, will help us mightily. It will be a strong moral force behind us.

Mr. Downing argued that the time is propitious for taking this action, and concluded with a résumé of the benefits to be expected from it. His address was listened to with the greatest interest.

MR WILLIAMS ON THEORY VS. PRACTICE.

Mr. Fred. W. Williams, of Chicago, special agent of the Aachen and Munich Fire insurance company, read a paper entitled "Theory vs. Practice." The following are extracts:

The theory of rate making from schedules based upon the experience of a number of substantial companies during a reasonable length of time, including a margin for a fair profit, should not be obnoxious to the most technical insurer. The theory of local board organization for the promulgation and preservation of such tariffs, of policy forms and other principles just as consistent and necessary should not be ignored, nor made

light of, no more than should State or general organization founded under the same influences, they simply enjoying a broader field for usefulness. In fact, I am willing to go so far as to say, and without fear of contradiction, that were such institutions indorsed by the companies in the manner befitting them, they would not at this time be characterized as piratical formations, created wholly from selfish motives for solely persecutive purposes.

As to associations, companies should not be permitted to straddle the fence. If the organizations which have been factors in the conduct of the business be conceded to have been conducive to its interests and to its upholding, that record is sufficient argument for this asking for their encouragement and maintenance. The present condition of permitting companies to be faithful to their calling and to their moral obligations in certain localities and entirely in conflict with them in others, and still be privileged to retain their deaconships in the tabernacle, is beyond my comprehension, and I am almost persuaded to assume that the evasion has not always been for the excuses offered in defnse of such position, but for opportunities to indulge in selfish practices at variance with the Golden Rule, which course has rent the ties of good fellowship, has bred dissension in the ranks and even brought divorces into the family. If we are to charge ourselves with anything, let it be our hunger for the recognition of sound principles emanating from consistent theories and correct practices, justified first by our own line of conduct and second by our undivided support of the same, not only in spirit, but in actual reality and sincerity. * *

Unprejudiced law making need not be feared; there being a common interest, any measure of practical good to the policyholder must necessarily be of corresponding benefit to the companies, and just so will any hardship placed upon the companies fall also upon the shoulders of the insured. I venture the assertion that to the account of division in our own ranks can be charged much of the adverse legislation with which we are contending. I regret to say many of the most obnoxious bills which have been introduced in the halls of Government first saw the light of day in the fertile but diseased brain of one of our own family, perhaps to gratify a selfish whim or to obtain notoriety, and sometimes to satisfy a vindictiveness against some company for the seeming abuse of its privileges, whereby some interest possibly was affected. That is one reason why, in my opinion, associations of local agents whether they be limited to town, extended to State, or inclusive as the country's boundaries, should be greated with open arms and granted the right hand of fellowship.

They cannot, they will not, they dare not sink the ship just so long as their salvation depends upon its safety.

The gathering together of such bodies of individuals, whose interests are identical, where opportunities are given for better acquaintance, where views are exchanged, where conditions are discussed, where platforms for the future are mapped out calculated to promote the interests of the majority, should be duly encouraged, but for themselves it must be understood they will profit nothing without the conduct of their daily affairs be in conformity with their deliberations, and the true spirit of their teachings be put into actual practice.

For instance, a certain special agent, not a very long time ago, visited quite an important city for the purpose of securing a local representative. He called upon the several agents, one of whom had just returned from a meeting of the State Association of Local Agents, where he was accredited with having delivered the "hurrah" speech of the hour in favor of the single agency system. Five of the companies he represented were operating two agencies in his town. The special agent tendered to him the sole agency of his company, which, by the way, enjoyed a more handsome financial showing than any of the so-called "double headers." His offer was declined with thanks, for the reason that said companies had considerable business on their books, and because the agent refused to fight the battle which he claimed would be forthcoming if he resigned. * *

The practice of reinsurance of lines is equally pernicious. By it the law of average is seriously affected; the excess amount instead of being placed in natural channels often finds its way into the offices of companies having no agency in the town wherein the risk is located, thereby denying a regularly represented company from that share of the business to which it is justly entitled, and for which its agency was established. Reinsurance is another term for selfishness and greed—it is the incubator for dual agencies as well as annexes—it is a delusion and a snare—it makes insurance easier to procure—it magnifies the actual condition of a risk, and in that way increases the independence of the insured, thereby making it more difficult to secure a bettered condition of the physical hazard.

I hope the day is not far distant when it can be said it is the reading of the law and a violation thereof for any company to issue a policy of insurance in amount exceeding the retained liability. The atmosphere is clearing on that point, legislation in many States now requires reinsurance to be effected in companies authorized to transact business in said States, and in consequence from all quarters we hear the cry the companies are cutting down their lines, with the result that deserving companies are receiving applications for agencies in places where a short time ago the special agents of the same companies were railroaded out of town. * *

There is one thing certain, a local agent cannot stray very far away from the straight and narrow path without his companies stand for it—he will not continually disobey instructions unless it be tolerated—he will not cut rates if he be told he must not. I believe it only justice to the local agent to say the feeling that the companies legislate without regard to his interests is fast removing itself from his makeup. I believe his confidence in the companies is increasing, and I believe our daily work should include an effort to demonstrate the necessity of sentiment between company and agent, and to further the thought for either to be successful both must be so. The intelligent agent can, without prejudicing either interest, represent both company and client, but when he does not, and sees only obligation to the latter, he must not blame the companies for legislating the business from their own standpoint.

We must be possessed with sufficient moral courage to give expression to honest convictions, and I ask for the field man the unlimited confidence of his superior officers. I ask for the field man the executive authority to exercise his good judgment without fear of criticism when the question is one of right and wrong, and lastly I ask that the sacrifice necessary to maintain an honorable principle of underwriting be privileged to him.

Believing the natural tendency of men of intelligence to be in the right direction, I do not hesitate to guarantee the character of his work will be of increased value to his company under such platform. Many miles of unnecessary travel would be saved, and much of his expense would be eradicated were unbusinesslike practices stopped in the bud rather than be allowed to go on until demoralization reigns supreme, and again, the time so occupied would be used for the development of a company interest. The unreasonable extension of time for the payment of balances, the appointment of agents without bonds, the ignoring of tariff rates and proper forms, are all expense accumulating methods, unkind in the extreme.

The motto of this great city is "I will." As we are a plural number, let those words in proper grammatical form be our watchword. Much can be accomplished if "we will"—many of our cares can be lessened if "we will"—the dignity of our profession can be elevated if "we will"—and last, but not least, we can be better men if "we will," and better men means better work.

Let our obligations be those we propose to cheerfully adhere to, let us consider them sacredly above violation until we have been released therefrom, for far better is he who makes no pretensions than he who lives in an atmosphere of hypocrisy. By our works shall we be judged, and being so, let us be able to answer to our names at the last roll call with the confidence that our duties have been so performed that those who follow will not feel compelled to make apology for those who have gone before.

At the afternoon session of Wednesday Mr. F. H. Whitney, of Detroit, on behalf of the companies interested in the Carnahan litigation at Findlay, Ohio, presented a gold watch, chain and charm to Mr. L. J. Bonar, special agent of the Insurance Company of North America, who led that seven years' fight, as a testimonial of their appreciation of his valuable and untiring services.

The president appointed as a committee to nominate directors: F. H. McElhone, M. H. N. Raymond, A. R. Monroe, D. S. Wagner and George C. Bell.

MR. CORNELL ON INSPECTIONS.

Mr. H. F. Cornell, of Detroit, general agent of the German insurance company of Freeport, read a paper entitled "Inspections: Personal and Otherwise." He said in part:

The company depends much upon the judgment of the special agents to enable them to determine if a risk is acceptable

or not, and therefore it follows that their reports or inspection slips should be full and complete; otherwise they would fail of their object. Not only the character of the risk, but the amount of the company's net line should be considered. To secure an intelligent, efficient inspection requires time, patience and a more than ordinary mind. Requires one having a practical understanding of the different hazards; ability to determine and detect the defects, and be endowed with ability enough to fully and clearly explain how they can be remedied. It is the purpose of the underwriter and a part of the business to make every risk acceptable, thereby increasing the amount of the company's income. All dangerous features should be pointed out to assured. He is entitled to this to enable him to remedy the defects and make the risk not only acceptable, but secure to him the best possible rate. I believe it is quite as necessary to observe the condition of the fire escapes and see that they are properly and safely arranged as it is to insist that oily waste is properly taken care of, shafting placed out of sight properly protected, or smoking prohibited, for if assured is careful for the safety of his employees, you rightly assume he will do all he can consistently to make the risk safe from fire also. It has been said that good business will burn. No doubt of it, and this year is no exception, but undesirable business not only burns, but the rate obtained does not compensate or make up for the difference. It also endangers the better class, for it is a known fact that the preferred business, so-called, is paying a rate sufficient not only to meet its own losses, but for much of the poorer class. Considerable of the time devoted to inspection by the average special agent is, I think, wasted. He is not wholly to blame for this, being often expected and required to do more than he can thoroughly accomplish in the time given him. Ofttimes his one object seems to be to determine if the risk is acceptable in order to secure the premium thereon, an income so much desired and insisted upon by the manager. Here let me say I believe if the special agent would fully inform the local agent, as well as the secretary of the local board (the latter in States where such boards exist), of the hazardous nature of certain risks and point out all the defects, you would find they would be more quickly remedied than if the special attempted to obtain the improvement himself. The local board, if rightly managed, has a power the average special has not in a local community. An inspection slip, in my judgment, ought not only to be a concise description of the risk, but explain fully where the danger, if any, lies, and what is necessary to make it acceptable.

Inspection slips cannot be made up from office registers and maps or from information received from others and be of any great value. An Eastern company recently received an inspection slip covering a brick building occupied for numerous purposes, the rate on which was 76 cents. Undoubtedly it was the omnibus character that called their attention to it. The exposure on the west, shown by the slip, was a brick and frame flouring mill, rated at $4.75. The company immediately requested an advance, stating to the agent that the exposures warranted it. In reply the agent informed them the rate was full tariff; furthermore, that the mill had been razed to the ground and a fine new brick building now stood in its place, the rate upon which was even less than the risk in question. It is needless to say that the inspector was asked for an explanation. This gentleman is not now connected with this company. Moral: Don't follow the map too closely when filling up your slips.

It has been said, and rightly, too, that the subject of fire insurance grows more scientific and complicated every year, and that those who lead in reforms must come from among those who by strict attention to duty gain the experience, have the ability and think for themselves, rather than ape others "Every man connected with an insurance company is valuable to that company only when his services and connection with it influence the right side of the profit and loss account."

I would not say that the average inspection slip is burdened with too many questions, but do contend that the remarks of a competent inspector are of much greater value to the daily report examiner.

A survey may be gotten up very attractively; the diagram complete; explanation carefully made. It looks fine, and is fine; nevertheless, the examiner marks in blue pencil "decline," for the inspector's report notes the undesirableness of the risk. When an inspector meets the assured, points out radical defects in his risk, and is met with the reply: "Will attend to it, but am too busy now," do you approve in order to secure the premium, or do you make this note upon the slip: "Will reinspect"? It is absolutely necessary to make an inspection of the company's business if a profit is expected, even though not assured. This has been fully demonstrated by the many reckless underwriters, whose names are on the retired list, or ought to be. How these inspections shall be done, whether by competent or cheap men, is a matter of opinion only. I am satisfied, however, that the company making careful and systematic inspections will surely obtain better results than if not so done. By systematic I mean that it should be done by competent, and not by cheap, unreliable and inexperienced men. It is necessary to employ competent, faithful and willing inspectors, who will and do make careful examination of every risk on the books of the agency, for a good special agent is worth everything to a company. A poor one, money and time wasted.

It is folly to send a man to inspect a factory who does not know a sanding machine from an emery wheel or friction clutch. I have found it not a bad idea for an inspector, if he is not familiar as to a certain class, to read up before making the inspection. Fire walls and doors, shutters, trap doors. elevator shafts, shafting in concealed places, under floors and extended through walls, and electric wiring must be examined. It is easy to see if a double headed or staple tack is used to fasten the wire and that in driving it the insulation has been removed. Storage of oils, calcium carbide and gasoline in large quantities looked after, and last but not least dirty basements and cumbersome attics. A number of fires have originated from sparks from arc lamps, the carbon falling from same through broken globes. The incandescent lamp also causes many fires, being so handy and useful for decorative purposes in windows. We may not determine the volt resistance of a wire, a short circuit or the safety of a switch, but we can ascertain if lamps are safely installed and protected. We may not be a Jardine, Merrill, a Benallack or a Simonson; but we can give the risk an intelligent examination and determine quite accurately if safe and desirable, and judge quite as well as the expert whether the spelling of assured's name, position of his hands or the shape of his nose would indicate a specially hazardous risk. Time was when a special survey with diagram was required of the agent. Then only the special hazard was deemed worthy of the inspector's attention.

Now we find it quite as necessary to inspect everything on the books of an agency, and much that is not, for, even though the risk itself is all right, someone occupying this or the adjoining building is not. I contend it is a part of a special's duty to determine the line a company should write in a given locality, even though his recommendation is not always approved by the manager. Ofttimes an inspection discloses a double line on and in a building shown on our maps as having double fire or party walls, whereas none exist. A policy covering a brick building is found to cover only a frame building veneered with brick. These and numerous defects are discovered by the energetic special. The time is not far distant, I think, when much of the work will be done by a bureau or an association conducted for this purpose only and amply equipped to not only make systematic inspections, but duplicate the reports and send out to subscribers. The expense can be largely reduced and surveys obtained. This is now being satisfactorily done in the East on risks where the insurance written is $40,000 and up. The surveys and reports are very complete and artistic, and furnished to subscribers at slight cost.

A daily report is many times held on the examiner's desk, or recalled if passed upon, in order to secure an inspection report as well as assured's commercial and fire rating before making a final disposition. It therefore becomes a potent factor of the business of inspection that the work be done promptly and well. Careful, thorough and systematic inspection, with co-operation of the assured, has as much to do with low rates of the New England Mutuals as the sprinkler equipment. No company cancels a risk it can consistently carry. It follows, therefore, that none should be declined without sufficient and good reason. I would not order a risk dropped at expiration. If your inspection shows it to be a poor one, cancel at once, and do it then and there. If you are unable to secure the policy, serve assured with the five day's notice of cancellation, even if you are obliged to remain over night to do so.

Notwithstanding a company is a private concern conducted for the profit of the stockholders, the relations between the assured and insurer are mutual, and if it could only be understood that companies are only distributing agents of the many to the few who suffer loss, that we were insuring one another (for the premium is only a tax collected for the benefit of all), there would be less need of inspections, for the assured, realizing that, by making his risk less hazardous would be bene-

fited by a decrease in premium, reducing the tax per capita and stimulating assured to make improvements he otherwise would not. Insurance companies and managers are in the business for what money there is in it, and not for pleasure only. In transacting the business from day to day they scrutinize each risk and endeavor to determine if it is safe physically as well as from a moral standpoint.

PRESIDENT PELLETT DISCOURSES UPON THE LOCAL ASSOCIATION.

President Clarence S. Pellett, of the Chicago Underwriters' Association, read a paper which was as follows:

An address by a local agent to an association of field men and managers will naturally develop some difference of opinion. We look in the same direction but our view points differ. You stand near to the company and see some things in large proportions which are smaller in my line of vision. I stand near the customer and some things prominent in my sight are inconspicuous from your point of view. Our lines of sight converge, however, and finally meet at a point which represents the ultimate good of the business in which we are engaged. The line of vision which shows things in a truer proportion would be a mean line between our two points of view. This we both do well to remember.

I invite your attention to "Some of the Benefits of the Local Association."

The term local association as I will use it denotes an association of men engaged in the local agency business in a state enlightened enough not to discriminate against its citizens engaged in any lawful and necessary occupation, in a city or locality where the premium income is large enough to justify the maintenance of an office with paid employees, and the composition of whose membership embraces intelligence enough and honesty enough to be charged with the establishment of rates and proper practices—subject to the general and reasonable supervision of the managers of the companies whose interests the local association is intended to serve.

RATE MAKING.

The fundamental business of a local association, as I know it, is to make rates. If a local association has the legal privilege and does not possess the requisite ability or fairness to make rates, I would call it by some other name. In these later days we are much agreed that schedule rating is the only reasonable, workable or equitable system of rate making.

An underwriter of prominence once said that "some schedules work well, some work poorly and some do not work at all." Well the same thing is true of people. As well condemn boys because some turn out badly as to launch wholesale criticism upon the system of schedule rating because some schedule in an infantile stage failed to measure up to the adult requirements made of it. Schedules, like everything else of value in this world, are the product of time and labor. A perfect schedule has not been devised so far as I know. Yet I do not understand that it requires inspiration to build a workable schedule or genius to apply one. Some wise man has said that "inspiration is perspiration," and another that "genius is patience"; and one-half the ingenuity applied to improving schedules now employed in deriding them would bring about the millennium in rate making.

I look confidently forward to the time when all risks other than those general classes which can be cared for by a minimum tariff will be rated by schedule.

When given a certain quantity of hazard in the way of construction, exposure and occupancy, the rate will be a resultant as absolute and as ascertainable as a result in addition.

Machine rates are the only rates which will distribute the insurance tax without fear or favor.

I favor uniformity in schedules. There is no reasonable explanation to offer why planing mills, for example, should be rated in Chicago by one schedule, in St. Louis by a different schedule and in Wisconsin by still another. Conflicting practices in rate making make our business appear unreasonable. Eventually it must be with schedules, as with other things, a case of "survival of the fittest"; and the ultimate schedule for planing mills, for instance, will contain the good features of all the old planing mill schedules it supplants.

NO PREFERRED RISKS.

And now a word by way of contrast. In the nature of the case most of the attention of the local association will be devoted to building up rates. It must furnish the barrier to all those forces which unresisted would be destructive of all rates. But while we owe it to our companies to charge an adequate, just rate, we owe it to our customers not to charge an unjust rate. Nay, put the public out of consideration (which we cannot do, and we owe it to ourselves not to collect an excessive rate. What is it in our business that begets greed, fosters excess commissions and leads in one section after another to demoralization, which undoes in days the hard and conscientious work of months?

Why is it that one class of business is "preferred" over others?

If we are honest the answer is manifest. The local association needs the courage to apply the knife on occasion. Good faith with the public requires that there be no preferred risks; good policy for our business demands it.

MAINTENANCE OF RATES.

When the rate is established it must be upheld and here the local association is a necessity. In no other way can "cut-rates" and discounts be so effectually prevented as by an organization of agents bound by mutual agreement and with the power to inflict penalties for the violation of such agreement. Rebating can never be absolutely stopped. As long as men are created human and not perfect some will seek an unfair advantage over others. But this is a world of some compensations and one is that rebating finally fails, for the business having been purchased at a price is eventually lost to the man with a longer purse. The memory of La Salle street is strewn with the wrecks of firms whose principal reason for an existence was that they could outbid "the other fellows."

And to the credit of the business let it be known that "the other fellows" have grown grey in service, honorable in the eyes of the community and not entirely poor as this world measures wealth. And now a word to you, gentlemen. How much the companies could help to stamp out this pernicious practice of rebating and how little they really do in that direction.

As long as the rebate is not charged to the company, the company's conscience is easy. With some companies it is a case of "premiums wanted and no questions." With some others the agent is actually encouraged to rebate or goaded to it by unreasonable demands.

I presume there have been instances where companies have discontinued agencies because of the agent's failure to keep good faith with his fellows. In fourteen years' experience in this city such a case has never come within my notice, though I have observed many instances where such action would have worked great good to the business, much credit to the company and in the end saved a charge to its "profit and loss account."

Nor has the opportunity to exercise such corrective influences passed.

INSPECTIONS.

But it is not the sole business of a local association to make rates or maintain them. We have some large responsibilities in the direction of reducing the excessive fire waste. I am a firm believer in the value of a scientific and extensive system of inspection for condition as a part of the machinery of a local association.

If one is skeptical of the value of systematic inspection let him look at the record of the World's Fair. Here with frightful possibilities of a conflagration the insurance loss was nominal, owing almost entirely, as I believe, to the care with which the properties were watched. Never was there a finer example of the value of the "ounce of prevention" in our business, for no sooner was the Exposition over and vigilance relaxed than the frequency and extent of fires was noticeable. If this is an exceptional case, compare the record of the packing house district and the remainder of the city of Chicago for a period of ten years ending December 30, 1900. In ten years the stock yards premiums have been $2,625,480; losses, $918,892; loss ratio, 35 per cent.

In the same period in the balance of the city of Chicago we have had premiums $55,171,133; losses, $38,620,778; loss ratio, 66 per cent.

Consider the large hazard inherent in the packing industry, the congested values and other unfavorable conditions in that district and one begins to realize the value of the tireless and extensive system of inspection maintained there as expressed in the loss ratios I have read.

If further evidence was needed I could point you to special classes in Chicago like the printing risks, which, after being the cause of large loss to the companies, have been made the object of special and solicitous inspection and have become a source of profit from that time.

Believing in the ultimate value of inspections, the Chicago Underwriters' Association has recently organized and has now in good working order a very complete and well equipped inspection department from which we expect large returns in the future.

MORAL HAZARD.

Nor is our obligation to the public met when we have fixed an equitable rate and arranged for careful and scientific inspections.

We owe it to the public at large and the honest insurers in particular to do the utmost in our power to prevent arson and fraud. And, oh! how utterly we fail to meet our obligations in this regard.

Take 20 per cent. of the fire loss for the United States and Canada for the first six months of 1901 and we have approximately $18,000,000, which may be conservatively offered as an estimate of loss due to arson and fraud. Compare this large amount with $3,000,000, the *whole* amount lost by defalcation and embezzlement in the same territory and the same time. Compare our easy way of "letting things go" with the relentless persistence of the surety companies, and let us ask ourselves if our lax methods and heavy loss ratio may not bear to each other the relation of cause and effect.

If it is the duty of the local association to assist the State in punishing arson and preventing fraud, by the same reasoning it is the privilege of the local association to protect the companies from the operations of the incendiary and the fraud by the collection of such information in proper and legal form as may be necessary for such purpose.

REGARDING OTHER PUBLIC OBLIGATIONS.

The local association conducted on broad grounds becomes a quasi public institution. And its usefulness in the public aspect of its work is manifold and varied.

It can with perfect propriety engage actively in promoting good building laws, and interest itself zealously in the enforcement of such laws when adopted.

By the same right it becomes the natural protector of the public water supplies and reasonably concerned in the maintenance of bridges and highways. With the fire department the local association has an especial concern. It is possible for a local association, if possessed of sufficient courage, to divorce a fire department from politics, and keep them forever apart.

To the credit of the mayors of Chicago let it be said that since the great fire they have uniformly recognized the right of the underwriters to a voice in fire department affairs, and they have repeatedly solicited such advice and been guided by it.

INCIDENTAL MATTERS.

In regard to those incidental items with which a local association may at times or in places concern itself just a word.

(1) *Map Publications.*—Theoretically, because from the map the rate for minimum tariff business is made, I believe that the maps should be published, or the corrections officially supervised, by the rating department of the local association.

This can be done, as has been demonstrated in Chicago in years gone by, when the old Chicago Fire Underwriters' Association prepared, printed and pasted the corrections on maps in the hands of its members and furnished such corrections to the companies free of cost.

Practically, however, because the rating and inspection work absorbs so much attention and money, I conclude that few local associations can afford to indulge in the map publication business; and that with local associations in general it is best to do a few things well.

(2) *Collection of Premiums.*—The rate is not charged until the premium is paid, and in my judgment it is quite as proper to regulate the time in which the premium shall be paid as to make the rate in the first instance. Such regulations are unpopular and hard to enforce, but they are right nevertheless.

In this connection I esteem it to be entirely proper and reasonable for a local association to protect its members from "dead beats" and assist them in the collection of just accounts by the employment of such methods as are in vogue in other commercial lines and fall within the limits of law.

(3) *Supervision of Adjustments.*—The adjustment of losses in large cities under present methods is expensive and unsatisfactory. In the case of moderate losses it is sometimes true that there are not enough competent adjusters disengaged to give prompt attention to claims. During most of this time, however, there is a surplus of adjusting ability and a loss of consequence finds a dozen adjusters on the ground, any two or three of whom could better handle the claim. This results in expense to the companies and confusion to the assured, and in some cases the outcome betrays the fact that "too many cooks spoil the broth." The remedy for this condition I do not pretend to know, nor would this be the place to suggest it if I did. However, I feel sure that the remedy is not to be found in local association interference. I can conceive of only one circumstance when a local association would be justified in departing from a policy of non-interference with loss claims. That condition would exist, in my opinion, if the companies became the victims of dishonesty or corruption; and such a condition I am pleased to add does not exist in the West so far as my observation goes.

(4) *Patrol Service.*—Naturally the maintenance of a salvage corps unless there be some better or older plan (as is the case in this city) falls within the duties of the local association. And in no other way within my knowledge can a local association in the large city better serve the companies or more certainly justify its existence to the public than by the support of such an institution.

(5) *Classification Tables.*—I am beginning to believe that if this business is ever to possess any general experience tables the local associations must get them together. And perhaps that is the best method of collecting such information. The local association, or its auxiliary patrol service, usually has in hand the compilation of the amount of insurance loss. To classify such losses would be a simple matter. The classification of premiums would be a more troublesome undertaking. In Chicago we now report our premiums in bulk to the secretary of our association under a seal of confidence which has never been betrayed. At the expense of a little additional clerical labor those returns could be classified before being reported. The experience on the $7,500,000 premium income of the city of Chicago would be of immense value.

The combined experience of a number of large cities would be of inestimable value and go very far toward putting the business on an exact and scientific basis.

And now just a word about the need of experience tables. We take pride in a good schedule, and yet what is a schedule under the practice obtaining to-day? Nothing more than a scale of charges and credits based upon the best unclassified experience obtainable. In Chicago we make a basis rate of 3.50 on a soft wood worker, but we do not know that it ought not to be 3 or 4 per cent. We make a careful, discriminating and composite estimate. But it is an estimate. Nothing more or less when we are done.

In our mercantile schedule for ordinary construction buildings we lay down the broad proposition that a standard building 50x100 feet and four stories high is worth 40 per cent., but we cannot prove it. We say that a retail dry goods stock is worth 50 per cent. more than the building, but if someone said it was worth only 40 per cent. he might have just as good right to his opinion as we have to ours. We are not able to prove our own assertion or disprove his, and vice versa. Our business without schedules can be compared to a boat without a rudder, but it is honest to complete the comparison, and acknowledge that our schedules without experience tables are quite as uncertain as a rudder without a compass.

(6) *Rules of Practice.*—No reasonable local agent will deny to the management of the company the right to sell its contracts on its own terms. A thoughtful local agent will go further, and agree that it would work to the good of the companies, the satisfaction of the agent and the advantage of the customer if the practice in important matters could be uniform throughout the country.

The reasonable request the local agent has to make of the management is that local practices be regulated through the local association rules.

IN CONCLUSION.

This business cannot be divorced from its public aspects. The credit of the commercial world is built on the indemnity we furnish it.

The public has a right to know about our business and to question reasonably the manner in which it is conducted.

In former years we have sown with carelessness and too much contempt for public opinion, and in later days we have reaped misunderstanding, suspicion and embarrassing legislation.

There is nothing about the fire insurance business, so far as I know, to keep under cover, and nothing to be ashamed of, unless it is the expense ratio.

I believe in the campaign of education, in the policy of frank dealing and in the dissemination of information. But I believe first and foremost in the educational value of a properly conducted local association, in the policy of frank dealing as exhibited between company and customer in fair and consistent rules of practice, and in the dissemination of information by means of a reasonable schedule, a careful inspection and a manifest disposition to treat the public on broad and just grounds in those individual transactions of insurance which most affect men's pockets and most influence their opinions.

MR. WACHENHEIMER ON THE LOCAL AGENT'S STANDPOINT.

Mr. Jacob Wachenheimer, of Peoria, Ill., president of the Illinois Association of Local Fire Insurance Agents, read a paper on "Insurance from a Local Agent's Standpoint." He said, in part:

The "real" agent who makes insurance his profession studies the subject from every standpoint. He keeps in touch with every phase and change influencing it, and one of the first things he learns is that his interests are practically identical with those of the companies he represents, providing the companies are fairly and honestly managed. He knows that the standing, integrity and ability of his companies to carry out their contracts are of vital importance to him, and this being so, he is concerned about all matters of rate, practice and results, as affecting the interests of his companies.

He is deeply concerned about the enormous fire waste in this country, and he directs his best efforts in his community to educate insurers along the line of fire prevention, but unfortunately his good work is often spoiled by the so-called "fool agents," who outnumber and outvote him.

Personally, I feel that a continuance of the great fires and consequent abnormal loss ratio is calculated to make the average officer and manager, like the late Colonel Ingersoll, doubt the existence of such a place as Hades, for the reason that it will be hard for them to believe that there can be two places so nearly alike.

In all matters relating to the good and welfare of the insurance business, the "real" agent is with the company, and wants to be on the side of *right*. He knows that his client has full confidence in him and in his ability; that he is the "company" with his client, so far as representation can make him, and he is anxious to preserve this status between his client and himself. To do this he knows it is necessary for him to be in strict accord with his company, that what he preaches must be in consonance with his company's views. He knows that he cannot go before the public with propositions at variance with the practice and policy of the company he represents, and that it would be suicidal to his interests to attempt it, but he has a right to expect that the company will not degrade him by prostituting itself to the broker and policy peddler, an unholy alliance, out of which has sprung "overhead writing," "multiple agencies," hostile legislation, unnatural strife and all the other evils that afflict our business.

The successful local agent must be endowed with tact and diplomacy. I know of no vocation requiring these qualifications to a greater degree. Sturdy individualism is, as a rule, one of his dominant characteristics.

The "real" agent dares to hope that the future holds in store for him a basis of compensation different from that now in vogue. The learned Henry Ward Beecher many years ago said: "The law of price is the skill, and the amount of skill expended in the work is as much for the market as are the goods." I believe this to be true of the local agent's services, and that the time *must* come when the skillful, experienced underwriter agent will, by some as yet undevised system of remuneration, be given the opportunity to earn and enjoy a profit commensurate with his abilities, at least to a greater degree than the unskilled agent. I may be nursing Utopian ideas in this respect, or, perchance, be pursuing a phantom of hope, but as "hope springs eternal in the human breast," some views, however fanciful, may scatter grains of comfort.

The "real" agent does not want to be held down. He does not wish to be classed with the "misfits" and "side liners," and treated accordingly. He wants greater scope. Not enough distinction is made between the two classes of agents, and it is only natural that the "real" agent should try to pull away from the other class. His is somewhat the position of a certain cat I am reminded of: Little Johnny was pulling the cat's tail, and his father said to him: "Stop pulling that cat's tail." Johnny replied: "I'm not pulling its tail, pa; I'm only holding on to it. The cat's pulling it." The "real" agents may be doing the pulling, but somebody ought to let go!

We hear a great deal nowadays about "Insurance Trusts," for which those engaged in the business know there is no foundation. It has even been hinted at in some quarters that an insurance trust would be formed sooner or later, one of the objects of which would be the abolition of local agents. I am not a believer in such a sophistry and cannot think this step will ever be seriously considered.

In every line of business now partially controlled by so-called "trusts" men with experience, ability and capital have been able thus far to successfully compete, and should the agency system ever be seriously menaced with extermination, the leading local agents of the country would find no difficulty in organizing gigantic companies to protect and write the business they control, but the American agency system must, in my judgment, endure. The local agent is, and always will be, an indispensable factor in harvesting the crop of so-called "preferred" risks, for which all insurance companies throughout the length and breadth of this great country are every day and every hour industriously sowing seed. The countless scattered small risks which all companies seek will always be controlled by the local agent, and this alone will keep him in the business and assure his permanency. This being so, it seems to me essential to mutual advantage that there be a closer relationship and a greater "community of interest" between the company and the local agent.

The observing local agent who watches the signs and the tendencies of the times knows that the number of companies doing the insurance business of the country will, in the course of time, gradually be reduced, and by the same token the number of local agents will be lessened. The time will, in my opinion, have to come when only agents of acknowledged ability and experience will be intrusted with the responsibilities attaching to the representation of the leading companies, and when only the agent who makes the company's interests *his* interests will be sought after. The agent who does this will have solved the problem of protecting the interests of his client also. In the weeding out process nature's inexorable rule must be followed, that of the "survival of the fittest." Those agents who spell commission with a capital C and company and client with a small c will have no place in the ranks and must fall by the wayside.

My views in this respect are based upon the belief that in no small degree is the disastrous experience of the companies in general, during the past, what might be termed high pressure years, attributable to inexperienced representatives. The companies will in time discover this fact. The remedy will be in their hands. Meanwhile, they should not forget that "against stupidity the very gods themselves contend in vain."

The experienced local agent is the natural educator of the public, insurancewise. He is the friend and counsellor of his client, with whom he has, as a rule, the closest relations. It is he who educates the insured to understand that the matter of sound indemnity is of more importance to him than the rate he pays for it.

Stability in rates is another feature in which the local agent is vitally interested, and he will hail with delight and satisfaction the time when—if there be such a thing as scientific rating of fire risks—a schedule will be applied to all classes under which permanent and stable rates can be fixed. If the companies will make rates which can be defended and explained, they will find the local agents ready and willing to defend them and educate the insuring public up to them.

It will, no doubt, be expected that I say something upon the subject of agents' associations, which in some quarters have caused so much concern, and perhaps some criticism. These associations—the national and auxiliary State associations—are still in the growing and experimental state, but it must be admitted that they have already done much good, and that they can be utilized in many ways that will be beneficial to insurance interests in general.

The object of these associations, "to support right principles and oppose bad practices in fire underwriting," is never lost sight of, and as long as this is their "battle cry" and is adhered to they will promote only that which is best for all. Some mistakes may have been made, and some may be made in the future, but "it is through mistakes we learn wisdom." These associations should not be looked upon as opposed to company inter-

ests. They were not formed as a protection against insurance companies, nor for the purpose of dictating their policy, but, on the contrary, they were formed to work *with* the companies for their mutual good and against their common enemies. They were formed for and constitute an educating factor in our business. Local agents are being taught that these associations stand for a higher ideal than that of being the means of settling minor troubles that arise in a community. They have been educated to understand that a large percentage of proposed legislative measures are as a rule merely a disguised effort to promote somebody's interests, and that great care must therefore be exercised in their demands for legislative relief. They are being taught to see through the fog of self-interest that obscures their vision, and look into the clear atmosphere beyond, where lie their permanent and best interests. They are being taught to be true to themselves in order that "they may be false to no one," and that insurance from the company's standpoint and insurance from the local agent's standpoint is one and the same thing.

In conclusion, I would say that the insurance atmosphere has been and is still clearing. I hold the highest hopes for the future, and it is my opinion that we stand to-day upon the threshold of an era pregnant with greater opportunities than have been offered us during several decades. The full realization and enjoyment of these opportunities depend upon the wise judgment and honest purposes of those who would be the beneficiaries.

Time will, in my judgment, work out a solution of the vexatious problems now engrossing the minds of the scientists in the world of insurance. When that time comes some of us may have to change our views. Some will have to suffer defeat, but, after all, "They are victors who have been vanquished by the right."

SCIENTIFIC FIRE RATING FROM AN ACTUARY'S STANDPOINT.

A paper by Mr. Miles Menander Dawson, the actuary, followed. Our space will not permit the publication of the entire presentation of Mr. Dawson's very learned and cogent views, but the extracts which we given will show their trend. Mr. Dawson spoke of his former connection with fire insurance, which enabled him to know, at least, what its issues are. In the course of his extended remarks he said:

The more classifications there are to be handled, the larger must be the statistical data from which deductions are made. The reason for this is that each classification stands wholly or in large part by itself and the ratio of loss must be determined for it separately, just as if it were the only class. Laying aside the question for the time, whether one period, on account of improvements or the contrary, is to be considered to have involved more or less risk of fire, the groups can be made up of different years' exposures, the losses for various years in that class being summed also to make a total. In this way a sufficiently broad basis may sometimes be found for ratios in a class where the exposures in a single year are too few to yield a reliable average. The enormous mass of details which make up the experiences of the fire insurance companies is, in view of these things, seen to be a benefit and advantage and perhaps well worth all the additional labor which it entails. For, by reason of the great abundance of the material, it ought to be able to attain at least the following desirable ends, viz.: Thoroughly reliable conclusions as to the cost of insurance as to all the larger and more important classifications, including much information concerning the causes of fires in these classes, giving a basis for extra charges and for credits as well; reasonably definite measurements of the hazards in all the less important classifications, the data being in each case much more plentiful than could otherwise have been expected.

The value of a broad basis is well known to you all, and yet I am sure that an illustration will not be out of place. Common sense teaches us that, for instance, in tossing a cent the chances are even whether it shall turn up head or tail. But if it be thrown but once, it must have turned up one or the other, and if a judgment were based upon that throw only, we would have a certainty. And experience, as well as reason, teaches that there is no certainty that it will turn up once one way and once the other in two throws; nor just half the time one way and just half the time the other way in four throws or any other small number of throws. But what we mean by saying that the chances are even is that in a very large number of throws the number of heads and the number of tails will be nearly the same and that in an infinite number of throws they would be just the same. We expect the ratios found by actual throwing the coin to correspond more closely to the chances which we are determined by reasoning about the matter, the larger the number of throws. In the same way, the average fire loss which is drawn from a very large number of exposures will more accurately correspond to the real probability; and, other things being equal, it will be more reliable, the more exposures it is drawn from.

In order to get this broad basis, several companies, indeed many companies, will need to pool their statistics. This has been a stumbling block in the past; but is not likely to be such in future, when the advantages and the safety of such procedure are fully understood. I well remember the expression of disgust with which the suggestion was received by a friend of mine, high in the fire insurance world, more than ten years ago. The feeling was at that time that such a thing could be accomplished only by so exposing the experience of the individual company that all its underwriting mistakes would be an open book to its rivals. In addition to this humiliation the managers also saw the possibility that their underwriting successes would give such indications to their rivals that the advantage which they had enjoyed would soon be lost.

Of course, the statistics of the experiences of the companies could be pooled in a manner to involve just such disadvantages. Each company might digest its totals by classes and give in the results, exposing its own mistakes and successes. But if it were done in this way, in addition to this objection there would be the further objection that the grouping would have to be wholly predetermined, the data could not be rearranged as occasion seemed to demand, and the persons charged with responsibility for the results could not know certainly that the grouping had been made in precisely the form desired, so that their conclusions were drawn from just the facts they assumed to be true. The experiences of life insurance companies could have been collected in a similar manner to make mortality tables; but they never have been and few actuaries would be willing to assume responsibility for the result if they were. The form in which the material is collected is, instead, in individual risk histories on cards. And, as soon as the cards come in, they lose their identity so far as the company is concerned, and, in any event, they are not combined so as to show to anybody what that company's individual experience has been. Of course, in collecting the data for the pool, a company may, and, indeed, should put the same together for its own guidance and advice.

But it will not be known to other companies, and, moreover, will be of greater value to the company itself when it can compare its own experience with the experience of all. The task of reporting this mass to a central body in such a manner may seem gigantic, but it is really no more labor than to digest the data before sending it in. It is better and more economical to have the sorting done by one set of clerks and under the supervision of the committee in charge. The same individual cards, too, are likely in such case to be employed successively for different purposes, falling into new groups one after another, until all the information which they give is extracted.

Mention has already been made of the desirability of having the material fluid, so to speak, so that it may be grouped into new and unexpected classifications, instead of being required to fall into predetermined classes. All fire insurance men have preconceptions as to what the statistics, when thus brought together, will demonstrate. In order to deal with the subject at all it will be necessary for the committee in charge to recognize these preconceptions as a means of determining the first forms of classification. But the first grouping, however skillfully made, is never likely to prove wholly correct. Many of the preconceptions are sure to be erroneous; and, when this is shown, the material should be in such form that new groupings, suggested by the facts as they develop, may be adopted.

There is one sort of hazard which deserves to be put to one side for separate consideration—that is the conflagration hazard. Two things appear to be clear about it from the outset, viz., first, that to get any sort of measurement for it, many apparently unlike hazards in all other regards must be grouped together, and, second, that in order to get an average, periods much longer than one year must be employed. When the method of properly measuring this hazard has been arrived at, it will also involve the necessity for recognizing that reserves to cover it must take into account a period of much more than one year. Then the truth will come to light that much of the funds which are now held as surplus are really reserves against this conflagration hazard, and that it is wisdom to accumulate such and folly to fail to do so. The liability on this account reminds one of what the actuaries call "suspended mortality" in life insur-

ance. This means that the company which assumes that, because at younger ages it shows a great saving on the mortality estimates, the same salvage will apply straight through, forgets that the men who failed to die at forty are merely reserved to make a larger number of deaths at the higher ages. Thus conflagrations are not expected every year, and such portion of the premium as represents this hazard is not released when the year has passed, unless the risk is wholly off the books.

This reference calls to mind the safety fund law of New York, which is, in a way, a recognition of this necessity for a special conflagration reserve. Its defect seems to me to be that instead of being a provision directly to cover the conflagration risk, it is only indirectly so, since it acts as a special protection of other policy-holders against their reserve values being swallowed up by the conflagration.

The inquiry is surely pertinent, in view of the trouble and expense which such an undertaking as this investigation would occasion, What is the good of the ratios anyhow? Many consider that rates are made by competition and that the idea of securing uniform rates without combination is a foolish dream. And they reason that, since combination is necessary in order to sustain rates, and since by means of combination it is already demonstrated that they can be kept high enough to pay a good profit, the expense and labor to ascertain costs would be wasted.

Much of this contention is justified. Too much must not be expected of the mere ascertainment of the costs. In manufactures, for instance, the cost is usually perfectly well known to all parties. Yet undue competition has often brought about absolutely ruinous conditions, and the excuse which is most frequently offered for trusts and combinations is the practical impossibility of carrying on the business at all under free competition. Yet it is even worse to compete without knowing what you are losing when a certain price is made. In these very periods of cut-throat competition, the manufacturer who has most completely in hand the information about costs is enabled to inflict far worse injuries than he receives, while his adversary strikes in the dark and often injures himself instead of his antagonist.

Surely it is irrational to carry on a business in such a manner. Moreover, the fact that it is thus carried on cannot be hidden from others, and it creates unusual resistance to rating schedules. Men resent changes in their rates anyhow, but yet more do they fight against them when they can set their judgment up against the underwriter, knowing that the latter cannot assign a reason for his opinion and is, in fact, in doubt whether the rate should be so much or so much. Well do I personally recall the effect of a rating upon the property owners in the country town where I was brought up—a rating which involved doubling many premiums. It was not comprehensible to the business men that these risks were good at the old rates the day before, but required the new on that day. It takes good grounds to justify such to the mind of the average man. And the resentment and ill-feeling occasioned in this manner and fomented by the surmise that the rate makers do not know that the new rates are correct, result in movements against the companies, in laws against combinations and the like.

But it is not merely as a means to avoid this sort of prejudice that accurate information as to costs would be useful. The fact that rates were thus determined would gain the good will of many. This information in simple form would satisfy men that their interests were guarded in the working out of these problems, and that care was taken to make rates in proportion to the value of the protection. In my own short experience as a fire insurance man, I remember that a little talk about the underlying principles of insurance more than once disarmed prejudice. If these fundamental principles were strictly regarded, as they would be under a system of scientific rating, it is difficult to see how a business man could offer a fair excuse for objecting to pay what experience showed to be his just share of the losses and expenses of the business.

If the tariff associations were abandoned, it is true that the mere fact that the costs had been accurately ascertained might not restrain undue competition. It would, however, be likely to have a steadying effect upon rates and might serve ordinarily to confine the competition within narrow limits. Such, in any event, has been the effect in life insurance, so far as the regular companies are concerned. Moreover, since the purchaser of fire insurance buys a promise, instead of a commodity, rates that are cut too much might, if the fact could be shown, create such fear of the security of the company as would cure the evil or keep it within bounds. It would be foolish to say that this effect can be depended upon, for we have the fact to face that for many years assessment life insurance has been liberally patronized, although charging rates so insufficient that the safety of the insurance was imperilled. You also have known many instances where doubtful fire insurance has readily been accepted in order to save a little on the premiums. While this is true, however, the fact that most of the fire insurance is in companies that decline to meet the competition of notoriously unsafe concerns, shows that most business men do value security above a saving in rates. When the facts concerning the cost of fire insurance have come to light as to each classification, companies that for a time seek to do business at rates that are below cost can be made to appear notoriously unsafe very readily, because they really would be so. Such would rarely be backed by substantial capital and would not be feared.

Another most important advantage that should flow from this determination of the costs of fire insurance is that it ought to contribute very much to the solution of the commission problem. It is well known that the difficulties concerning commissions had their origin in the fact that certain classes of hazards were known to be more profitable than others, and this, not because of the superior skill of one company over another in selecting risks of that class, but because of the fact that the rates were higher in proportion to the hazard. These classes came to be known as preferred, and, while the Western Union companies were doing nothing to show their preference for them, the non-union companies were emphasizing their choice by offering much larger commissions for perferred risks. With the costs accurately ascertained, the gross premiums may be made to accord with the net, with the same margin for expenses and profits, or with a different margin, as is thought wisest, and level or graded commissions will be provided for, precisely as the companies prefer. Moreover, it will be in their power to make any class of risks more or less profitable by changing the margin and thus to take it out of the possibilities that larger commissions shall be offered than all are able and willing to pay.

Reference has already been made to the steadying effect which the mere fact that the costs have been ascertained, will be likely to have upon rates. This steadying effect, however, would be greatly increased if this cost were made the basis of reinsurance reserves as reported to the departments, instead of such reserves being based upon gross premiums as at present. By "gross premiums" I mean the actual premium receipts for the year, "net" in the sense that cancellations and the like have been deducted. At the present time a company gets off with a smaller reserve charge the more insufficient its premiums have been. Thus, if it accepts business for half rates, its reserves are half as much as if its rates were full. In this manner insolvency is sometimes concealed for a time and the State's certificate of solvency becomes vain. In a recent annual report of the Massachusetts Department public attention was called to the fact that by means of reinsurance an insolvent company might transfer its business to a concern that was not more solvent in point of fact, but that made an appearance of solvency, if charged under the rules with a reserve liability for only one-half the reinsurance premium, however inadequate that might be.

The question is pertinent whether the cost schedules would be likely to be accepted by State legislatures as standards of solvency. As to this nobody can surely say; but we do know that a scientific reserve was adopted as to life insurance companies and that the presence of this legal standard has had a wonderfully steadying influence upon life insurance premiums in the regular companies.

In this connection, it is worthy of remark that the legal reserve rules as to the valuation of life policies have not brought about absolute uniformity as to life insurance premiums. There are many variations; but these are kept within reasonably narrow limits. In consequence, there is not much complaint about these differences. It must be conceded, though, that the problem in fire insurance is different; for in life insurance considerations as to the profit-earning power of the various companies influence the choices, as also do personal preferences and especial confidence in particular institutions. In fire insurance, on the contrary, so long as the company is safe, there is never much choice, and so the cheapest bidder gets the risk as a mere matter of business. But, on the other hand, it does not follow that because in life insurance an equilibrium of rates has not been the result of scientific reserve systems, it would fail to be the consequence of the adoption of such a system of fire insurance reserves.

It is possible, too, that the companies might turn to the very device for assuring that they can collect ample premiums that has long been employed by life insurance companies, viz.: to make the policies participating. This was tried in fire insurance many years ago, but had little then to recommend it.

Now, however, the competition is hard and close, and it is possible that often the insured would attest his confidence that the rates should be materially lower by being willing to pay the higher rate, provided the insurance was written so that his policy would participate in the profits. Life insurance companies have by this means been enabled to collect one-fourth or more over the stock or non-participating rates, every cent of which extra premium is available if needed to pay losses or expenses. In fire insurance, of course, great care would need to be exercised, and if this excess were subject to the payment of commissions, there might be no possibility of making the plan work. But, operated with caution, it might work all right, giving the insured lower actual cost, while assuring the company against the possibility of coming out behind. This may prove to be the ultimate solution of the problem of providing flexible premiums, in spite of the fixed cost ratios which investigation would discover.

Another benefit that might flow from the establishment of a joint statistical bureau is that, gradually by a process of extension, the indemnity furnished by fire insurance companies might be widened to cover many risks which are now tabooed. Thus the hazard of loss by explosion might be investigated and, instead of excluding this risk of property loss, it might be included. Insurance is more valuable, the more inclusive it is; and, where the risk of loss from one cause is slight, it can hardly be covered except in connection with other hazards to the same property. In a like manner the risk of the collapse of a building might be covered. As to the subject matter of insurance, there might also be the extension to cover profits which a business man loses through the stoppage of his business when his property is destroyed. Remuneration for such lost profits is nowadays strictly ruled out by all companies; if this could be covered safely it would be well. In London, according to the press reports, the need for such insurance has become so pronounced that a separate company has been organized to furnish it.

It has been argued that the ratios which would be arrived at would be vitiated by the fact that insurances for full value and insurances for only a part of the value would be grouped together. It is, to be sure, well known that both overinsurance and underinsurance have their perils for the company. Thus overinsurance tends to induce incendiarism and underinsurance results in much protection being furnished for a small premium. Since most losses are partial and, indeed, for small parts of the value, a policy for one-half the value or less often calls for as large a payment on the part of the companies as if it had been for full insurance. * *

It has been asked again and again what effect these ratios would be likely to have upon the schedule system which has been so widely introduced and which unquestionably has served a very good purpose. It must be replied that nobody knows in advance. If anybody did know just what the ascertainment of these ratios will reveal and could prove to others that he knew it, much expense and trouble might be spared us. For myself, I have been interested in the Universal Mercantile Schedule from the moment I heard of the idea, and I procured a copy as soon as I could. It seemed to me then and it seems to me now both a step toward more intelligent treatment of the question and also an absolutely necessary precursor of scientific rating, showing the general methods which must be pursued and also the necessity for cost ratios, based upon actual experience, by means of which to construct a schedule perfect and reliable. It has seemed to me to be a sort of John the Baptist crying in the wilderness, or a schoolmaster to bring us to Christ. There can be no doubt that the results of an investigation will indicate the desirability of schedule rating, and nobody, of course, will welcome more heartily the changes in the present schedules, no matter how radical and sweeping, if correct and founded upon substantiated facts, than the able and ingenious gentlemen to whose prevision of the coming conditions and to whose indefatigable labors we owe the present schedule. Scientific rating comes not to destroy the law nor the "profits," let us hope, but to fulfill.

Mr. Dawson's paper was discussed by Messrs. S. H. Lockett, manager of the Insurance Survey Bureau, and John P. Hubble, Western manager of the Greenwich, the latter arguing for lower rates on preferred classes.

MR. STAFFORD FINDS A BRIGHT SIDE IN THE BUSINESS.

Mr. J. F. Stafford, general agent of the Eagle Fire Company of New York, read the following paper, entitled "The Bright Side":

Once upon a time there lived in Cincinnati a man by the name of Casey or Gallagher, or some such name, and in making a speech before the New York Field Men's Association he took occasion to say: "We are not a happy class of business man; when we have a fairly profitable year we are dissatisfied, perhaps because we did not make more profit or because some other company has made a larger profit than we have." This brought to his mind the anecdote of the two old ladies who met on the street one day. Mrs. Hennessey said: "Mrs. Casey, how is your family now?" "Well," said Mrs. Casey, "'tis all well they do be exceptin' the old man; he has been enjoyin' very poor health for some time, but this mornin' I heard him complainin' about feelin' better."

And so it is in the business of fire underwriting, for we apparently delight in the poor state of health of many of the companies, and complain when the dark clouds commence to lift, and we are, as a consequence, deprived of an opportunity to express our pessimistic views.

The quotation from Mr. Gallagher's sermon, together with the statement of a gentleman well known to you all, should I mention his name, to the effect that my paper was impossible, inasmuch as there was no bright side to the insurance business, led me to desert the idea of an instructive or statistical paper, and to throw myself on the mercy of the association with a few light remarks.

The business of fire underwriting has been carried on for more than two hundred years, constantly enlarging in extent and scope, until, like the banking business, it has become one of the distinctive features of modern commercial society, and a factor that can no more be wiped off the face of the earth than can the telegraph, telephone or the railways. Perhaps the most valuable and noteworthy advance recently made by the fire insurance companies is the adoption and the putting into practical effect of

THE MERCANTILE SCHEDULE SYSTEM

of ratings. New York city has recently undergone such a housecleaning as has never before been known. The warmest friends of the plan, conceived by one of our foremost underwriters, did not dream of the practical benefits, both to the companies and the public at large, that are now seen on every hand in New York.

The radical objection to flat ratings has always been the failure to properly discriminate between the new and old plans of construction, exposure and inherent hazard of risks. The mercantile schedule, I believe, is as nearly fair in its ratings as our present knowledge of the necessities of the business will permit of. This system of rating takes into account many defects and penalizes some of these faults by flat condition charges.

The great army of New York brokers, and there are some four thousand of them, are ever alert for advantages to their own or prospective customers, and are most diligent in securing corrections of faults and subsequent reductions in rates. The results of the system are shown in the very much decreased loss ratio in New York city for the last six months, in contrast to any previous like period of time, and the situation, in consequence, seems to have a very bright side.

The insurance business is not on its deathbed, as many would have us believe, and it is not going to the demnition bow-wows for lack of managerial ability, or lack of faith in the turn of the loss-tide. Not in years has the time been more ripe for the purifying of the classification of the business on the books, or for the securing and maintenance of adequate and just rates, for, with the withdrawal and reinsurance of so many companies and the period of heavy losses we have recently passed through, the market has become restricted and the insuring public have now commenced to realize that the companies are not the high-handed robbers they have been so long prone to believe; and that for indemnity that indemnifies they must expect to pay living rates.

I believe that the day of the "wildcat" company is at an end, and it was not so long ago that I came across a policy in the city of Omaha given the assured by some New York broker and issued by a company in Athens, Greece. I have never been able to trace the policy to its lair, for I can find no record of the existence of the company, and yet the bright side of the situation appealed to me most forcibly, and I could but wish that some of our irritable loss claimants, whose books are carelessly, but conveniently, left on top of the safe the night of the fire might be transported to the land where that policy first saw the light of day, for in Greece, as you are undoubtedly aware, when

a fire occurs the owner or tenant is marched off to jail, to remain in durance vile until his innocence is proven. Speaking of loss claimants reminds me that there is even

A BRIGHT SIDE TO CONFLAGRATIONS.

Why is it that every time a disaster of this nature appears in the newspapers the pessimist immediately predicts untold calamity to the business of fire underwriting in general? I honestly believe that conflagrations are, in a measure, beneficial both to the insured city and the insuring companies. Do they not promote business, and induce those who do not carry indemnity to insure? Why, in this city, Chicago, with its wealth of magnificent buildings, immense population and its beauty from an architectural standpoint; do you believe that such a city could exist but for the $165,000,000 that was wiped out of existence by the fire of 1871? You might, perhaps, have had as great a city, for its location stamps it as a commercial centre, but would it not have been cramped and ill-looking, with many old-fashioned buildings and dilapidated structures, whereas you now rarely see such a building, and then it is generally pointed out as a landmark.

Assuming that a conflagration benefits a city, so does it benefit the insurance companies. Following the fire we note the improvement in the construction of buildings, streets, water mains and fire apparatus; the study for protection and the careful elimination of the fire hazard. The public has been given a practical demonstration of the fact that insurance companies must anticipate conflagrations and provide for such contingencies, and the more intelligent of the insuring public realize that we are not unreasonable in our present demand for adequate rates, which will produce sufficient premiums to pay for the hazard and liability assumed, and then leave a moderate margin of profit on the capital invested.

Without these great fires we find a gradual lowering of the rates, and a steady and systematic fight against the companies; not only by the Legislatures, but by the insuring public, and, I am sorry to say, by a few of the agents of the companies, so that slowly but surely the underwriters' profits vanish from sight as it is a well-known fact that it is the heavy, steady drain of small losses that wipe the companies out of existence; not always the conflagrations.

The situation is not as dark as it might be. Why should we assemble and hold melancholy meetings, clad only in sackcloth and ashes, while the bankers, the life insurance men and the telephone people hold their conventions and speak only of the bright side of their prospects? Are we the only business men in the United States who are not onto our jobs? Not by a good deal. We are as happy and cheerful as the best of them. We realize the situation and the many complications of the business, but we also appreciate the great possibilities of our chosen profession, and there is no time for weeping and wailing.

There is no time for the pessimist. We need and we have with us the optimist, and the optimist is the fellow who will win out.

If some of the authorized companies were insolvent, and could not pay their obligations, it would be different. This business is large and widely extended, covering the poor man's cottage, the sky scrapers, railroad property and nearly everything inflammable, and yet, with liabilities in force of over $21,000,000,000 in this country alone, the companies paid out over $130,000,000 in losses during the year 1900, and paid dollar for dollar, besides paying for the property burned in Ottawa, Canada. The honest and just claims were paid promptly, cheerfully, and without hesitation, as they always have been and always will be.

A great, responsible and honorable business in the United States is the banking business; yet we hear of banks closing their doors after an examination and of the paying to depositors of only small percentages of the bank's obligations, and then only after some delay.

With the failure of a bank the public is invariably made to suffer, while in our business the weaker company is usually taken care of by the stronger, and though the stockholders may lose, the policy-holder is paid; the public does not suffer, and we are given another illustration of the bright side of the business.

THE SPECIAL AGENT.

He who is the subject of criticism at all times, and at whose door numerous troubles are laid, deserves mention, if only by a few words. I have heard of this fellow; of his hard and rocky road through life; of how he is obliged to stand duck fashion, first on one foot and then on the other; of how, when a mistake is made, he is always the scapegoat; how when a risk burns he is always to blame. I have heard that the poor fellow is not even permitted to make a mistake; that he is driven from pillar to post collecting balances, adjusting losses and working day and night; poring over books and figures until long past midnight, and then being, perhaps, obliged to get up before dawn in order to catch an early train.

A good many special agents pity themselves; and yet they invariably find a bright side to their lives. He surely sees a bright side every time his salary is raised, and the more frequent the raise the more frequent become the manifestations. He experiences more thrills of joy, I believe, than any other man in the insurance business. He never has anything to worry over, and he draws for his salary and expenses as regularly as he takes his meals. In troublesome times he stirs up the animals and encourages them to the brink of extermination. From the vantage ground of middleman he sees on one side of him the local agent and starvation; on the other side, the manager or general agent and damnation. But when the smoke of battle has cleared away, you will see him smiling as he puffs his two for a quarter cigar; perhaps, as the late Billy Baxter would say, a cigar that looks as though it had skin disease and smells like shoeing a horse.

It is the pessimistic special agent; the one who deplores the great fire waste; the ruinous reduction in rates; the fierce competition; the unjust taxation; the obnoxious laws, and everything in general; he is the one who has much to do with the situation when it beecomes far from bright. He is sympathetic with the local agent; he sides with him in his complaints, and he is constantly casting about for a chance to secure a lower rate or a change of form beneficial to the assured but detrimental to the company; so he winds up by bringing chaos about his head, and then wonders why it is.

I know of at least one special agent who is an optimist. He sometimes visits high grass towns; but he has such faith in human nature that he really believes all is gold that glitters, as I have known him to read a very exhaustive paper on the subject of "Gold Bricks."

As an illustration of his looking on the bright side of things I want to mention a little incident that occurred in the State of Missouri. It seems that our friend arrived in a high grass town, put up at a high grass hotel, and after a hard day's work inspecting the many risks in that high grass city of five hundred souls he bethought himself that it was time for dinner. He had just left Kansas City and the Baltimore Hotel, so he was in no mood to partake of "Roast beef, corned beef, beef heart and pork and beans. What'll you have to drink—tea or coffee?" So he simply glanced at her highness, the waitress, and quietly asked for a dish of ice cream. As he was a good looking chap, the girl was anxious to please; so she leaned over and in a confidential whisper said: "We haven't any ice cream to-day, Mr. Townley; but we have some real nice white navy beans."

Somewhere I once read, or someone once said to me: Do not look for trouble or discouragement in your work; bring sunshine into your business; let its rays light the work you have to do. It is a truth, though an unfortunate one, that some people have such a liking for trouble that they cannot enjoy eating honey for thinking of what might have happened if the bee had stung 'em.

We can all look back and see a path that at its commencement seemed narrow and hard to tread, and yet it has widened year by year, as we have broadened in our experience and wisdom. We look ahead and we can see possibilities without end, and a business that is as fascinating to a student of insurance as the study of the electrical hazard is to the wizard Edison. While we cannot penetrate the destinies of the future, yet the incentive to push forward is strong within us, for we are all striving for advancement in our chosen and honorable profession.

Be cheerful, then; cultivate the spirit of good fellowship; let your light so shine that you will not know the meaning of discouragement or failure.

Don't knock; and if, when you are tired, when losses have gone wrong and the worries of the day seem to make you ill tempered or pessimistic, just cheer up, and remember that every dark cloud has a bright side.

On the conclusion of the reading of Mr. Stafford's paper the association adjourned for the day.

There were many company dinners given in the evening.

SECOND DAY'S PROCEEDINGS

Mr. Eddy, on behalf of the committee on the president's address, reported a resolution favoring a change in the by-laws

authorizing the directors to select a library committee of three members.

ADJUSTMENTS AND PUBLIC OPINION.

Mr. W. J. Greer, of Milwaukee, manager of the Wisconsin department of the Western Adjustment and Inspection Company, read the following paper:

It is with pardonable pride that the fire underwriter may look upon the present state of development of the resources of this country, the financial and commercial progress of the past decades, and reflect upon the prominent part his chosen profession has had in it. That fire insurance, from its inception a powerful factor in that wonderful progress and development, has long since become a positive essential in the transaction of business has been fully recognized by the public. They have learned to rely upon the principles of underwriting as the basis of commercial credit and the mainstay of enterprise, and, only when reinforced by the insurance contract, are values considered valuable or security conceded to secure, and thus the lender lends and borrowers borrow, that buyers may buy and sellers sell.

But why, asks the underwriter, does not the confidence and good will of the public follow their patronage? If the people universally turn to indemnity, as a necessity in the conduct of business, what is the cause of antagonism between these two, who should be friends, not enemies?

TO A LACK OF KNOWLEDGE

on the part of the people of the aims and purposes of fire underwriting has been attributed responsibility for their attitude, and much has been said and written in support of the view that education will remove the cause and destroy the effect. Beyond doubt this is, in a large measure, true, as it is no more than stating the truth to say that 90 per cent. of the people who criticise our business know nothing of the subject, but are simply playing "echo" to some equally well informed "philosopher" whose oratory flows in exact proportion to the insurable value of the property he "don't" own.

Wherever you find an honest man, who does his own insurance thinking, and who has given even the most meagre attention to the principles of underwriting, has simply glanced at "debit" and "credit," or particularly if he has attempted a microscopical search for underwriting profit, take him by the hand; he is a friend of fire insurance, and, in case of loss, invariably a man of whom the adjuster delights to report "fair and honorable in all his claims and satisfied with the adjustment."

One cause of dissatisfaction has lain in the fact that there is, in every man, a degree, pronounced or otherwise, of conservatism, which impels him to consider the price. We buy and sell bacon, flour or sugar, and the consumer pays the established price cheerfully. Why? For the one reason that he knows what bacon and flour or sugar are worth. He knows something of the cost of production. His discernment tells him whether the margin of profit is reasonable or excessive, and whatever may be said of human selfishness, those men are scarce who, whether they admit it or not, do not, at least within themselves, concede to all, the right to a fair return. It is but one of the evidences of advancement that the underwriter has recognized that the public have a right to know what it costs to make and sell indemnity. It has been the subject of frequent remark that business men give little thought to the subject of what the contract means, or the mutual obligations imposed, but simply "carry insurance"; but the underwriter who will analyze present conditions must observe that

THE PUBLIC ARE GRADUALLY AWAKENING

to a realization that they have an interest in the success of underwriting, where legitimately conducted, and it is to-day a fact that a large proportion of the business men, the large owners of property and men of affairs in this country are displaying a disposition to look into the subject of fire insurance and a desire and intention to know of its purposes and workings. Day by day their impressions are formed less upon "borrowed" opinion. Fire underwriting is more and more brought before the bar of their own judgment. What the verdict will be depends upon fire underwriting itself. So shape the conduct of your business as to truly interpret the principles of fire underwriting, and the education will be of the right kind.

But there are some people whom just bare education will not educate. In my early youth it was my questionable privilege to sit under a pedagogue of the old school, who worked from the theory that the way to educate a boy was to "pound" it in. Our judgment of his method was more or less warped by prejudice, but we had to admit he got results, and, like he, we thought it was being "pounded" in, but in the calmer environment of later years I can see that all he did was to "stimulate" a desire to learn. Even he never "pounded" a jot of education into a boy who would not learn, and "the child is father of the man." We believe the principles of our profession, wherever understood, should win appreciation, but there is a certain proportion of the human family, who have annexed unto themselves (I believe it to be an acquired taste), a prejudice against all property interests. This, it is true, they outgrow as their "rating" increases at "Bradstreet's," but in most cases they furnish the recruits to that school of thought where "corporations" are denied the right of existence, and are declared to be an infringement upon the rights of the people.

Education will reach the mass of the people, but the underwriter will still encounter a share of the capricious hostility which we know does exist toward all commercial corporations.

This was to be a paper bearing upon the relation of adjustments to public opinion, and lest it be suspected we stray from the subject, let me suggest, that I seek to make the point that the kind of

EDUCATION WHICH COUNTS FOR MOST

in promoting harmony between the public and the underwriter, is that which occurs before the loss, rather than after. If a man has for years looked upon fire insurance as an institution of mystery, and adjusters as unworthy of confidence, his attitude and claim will be warped to conform. Many an honest citizen, respected in his community for uprightness, has started to adjust his loss "backwards," because he has heard his neighbor say, or has otherwise acquired the notion, that the companies are unfair and adjusters their cunning emissaries. Not a little of the so-called "friction" in adjustments can be traced to this erroneous idea.

That adjustments, however, do exert a permanent influence upon public opinion is as undeniably true as it is natural. The occurrence of a fire loss is a "mile post" in the business career of every honest man, and in the process of adjustment that man must form impressions, either favorable or otherwise, which will ever control his judgment of companies, individually and collectively, and of underwriting as an institution.

"You never know people until you live with them" says the old adage, and if I may add a word to so venerable and trite a saying I would offer the opinion that you come pretty near it in adjusting a loss. All the character in a man comes to the surface. If he is fair there he will be fair anywhere. If nature made him so that he wants just a shade the best of it, or won't trade, the adjuster makes the discovery early in the proceedings. If by inclination he is dishonest "out-croppings" are likely to appear before proofs are signed.

Many men are honest, some scrupulously so—because it is honesty—others just barely so, because it is the best policy, while others are of varying degree between the two. Degree and motives vary, but the majority of men are honest; are prepared to grant a "square deal," and expect the same in return, but by a law of nature men differ in their conception of things, and thus it is that not all honest men are fair, and we find it sometimes regarded that the only "square deal" is the one that "squares" with our rule, but we do know to a fixed certainty that an honest man is open to conviction. It may prove, as it certainly does, more difficult to reverse the judgment of one man than is the case with another, but the honest man has never yet been born who is not open to conviction when brought face to face with the right. It is the duty of an adjuster to determine the true amount of a loss within the terms of a contract between the assured and the company.

HIS FIRST DUTY IS TO THE COMPANY.

He should work from the view that he is there to protect the rights of his principal, and his conduct throughout all negotiation should be framed from that standpoint and none other, but if there dwells within that adjuster the desire to so accomplish that end as to add another honest man to the friends of his company and of underwriting, then he has grasped the highest conception of his duty.

In one way only is this result attained. Win your claimant's confidence. It has been said that ability to handle men is an essential qualification. Do not lay too much stress on mere "handling" of men. Lead men to see that you are actuated only by a desire to properly protect your company's interest; then so conduct your share of the transaction as to merit con-

fidence and respect, and men will "handle" themselves. To learn, then, to

OBTAIN THE CONFIDENCE AND RESPECT OF CLAIMANTS

should legitimately be not only the aim but the yearning desire of every adjuster, and he who treasures the indomitable purpose to learn that secret, and learns it well, is the adjuster who will achieve the highest distinction in his profession.

The first thought which comes to us is that the confidence of a claimant comes only through fair and honorable dealing, as certain it is that no claimant ever reposed the slightest confidence in an adjuster whom he did not first believe to be fair; but there are men whose confidence will not be won by mere fairness alone, and this becomes more and more pronounced a truth as time goes on. As the stalwart business man comes to know more and more of the principles of fire underwriting will he observe that when he paid the premium he bought fairness and paid for honorable dealing, and just in the degree that he is himself true to instincts of honor will he demand fairness in the company's representative, not as a matter of favor, but as his right and your duty. Such a man may gratefully acknowledge the adjuster's fairness, but you are there to settle a loss, to meet claims put forward backed by all the fervor of honest conviction, and if excessive, it is your duty to know it, to show him where, to point out the inaccuracies, to take your position and win your claimant to meet you where the right is, and if you would succeed in the measure you hope for, you want more than his mere admission that you mean to be fair. If you are equipped to show such a man that you know what values are; that you have a knowledge of the line of goods he sells or the class of property involved; that you know what a fire damage is, then, irrespective of what may have been his first impression, he now believes in you: you have commanded his respect for the value of your judgment and confidence flows to you as naturally as water runs down hill.

Progress is the demand of the times. All lines of commercial activity are marching onward to greater things. The more a merchant or manufacturer becomes master of the detail of his own business the greater will be his demand upon that adjuster who would depend upon the value of his judgment to win for him the confidence of such a man. The lesson is obvious.

THE ADJUSTER MUST KEEP PACE

with the times. He should realize that the extent of his usefulness is determined by the value of his judgment, and remember that, however great may be his achievement, he can never know half enough.

Recorded in memory only, upon the records of this association, are the names of men who attained to the ideal as adjusters. They passed beyond the River, mourned not alone by the members of this body, not alone by their associates, but by innumerable friends whom they met and won in the adjustment of fire losses. Those men were not only fair and honorable in their dealings with the public; they were more. They knew what a loss was, and that fact stamped a value upon their judgment which forced conviction, and won the confidence and friendship of those with whom they came in contact. If their memory is an inspiration, then look for the secret of their strength; you will find it laid in the fact that they were not content to be regarded as merely fair, but had learned to "command" the confidence of the people.

But unfortunately there is another side. There are people who are not open to conviction, whom neither fairness, nor knowledge, nor honorable treatment will appeal to, and who never can be educated to appreciate that the insurance contract is one of mutual obligation. In an adjustment their every thought and act springs from a purpose that, irrespective of means or method, they will extract every dollar that circumstances may render possible.

This is a condition which more or less must always exist, and these people must be dealt with and their extortionate claims met. The adjuster who would protect his company against imposition has need of a knowledge of values and judgment as to the amount of a loss, here as nowhere else, and is required, more than ever, to know where right ends and wrong begins.

It is from this class of claims that much of the adverse criticism of adjustments emanates, but it is none the less the duty of the adjuster, here as in all cases, to determine where the right is and set his course by that star. If he is entrenched in his position by a knowledge that he is right, and shall have discharged all the obligations of honor, and still naught but adverse criticism results, let him accept it as a vastly greater compliment than commendation. It will be some consolation to reflect that this man's measure was taken by public opinion in his community long before the loss occurred, and while outward sympathy may find expression yet the honest people know who is right. It is sometimes urged that

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dictates this or that. It is an accepted principle that the assured—the sufferer—is entitled to the benefit of the doubt, and few adjustments occur where this principle is not given more or less prominence. It is a question in my mind whether there is any expediency beyond this point. If by a display of stubbornness a claimant may extort an unreasonably excessive settlement what shall be said to his honest neighbor who has asked and received but 100 cents on the dollar? If that neighbor be honest, says one, it makes no difference what other people may accomplish by dishonesty. True, but there are degrees of honesty, and I question whether human nature does not in that transaction find a temptation to doubt whether honesty is the best policy or virtue really does bring its own reward.

Adjusters! remember you cannot expect to convince a claimant of a proposition of which you have not first convinced yourself. Do not forget that the claimant is your agent's customer and in many cases his intimate friend. You want the confidence of that agent, just as you do that of the assured. It is a duty you owe him that your judgment of his client and the claim shall not merely reflect your own prejudices. Have a reason for your conclusions and you will have the support of all good agents.

Agents! when your customer complains of the adjuster, suspend judgment. Adjusters will make mistakes as long as they are made of human clay, but if you find your client wrong and the adjuster right, be at least neutral and do not throw the weight of your influence against the adjuster, but remember that both of you are earning your bread in this business, the true principles of which it is the privilege of each to promote.

Public opinion will take care of itself if the adjuster will adhere to a spirit of broadminded fairness, never losing sight of the fact that it is his duty; his duty to the company; his duty to the public; his duty to himself, to know what a loss is, and above and beyond all, to know why he knows, and will then stand for the old Spartan principle, "that which is just is equal—that which is equal is just."

Mr. Greer's paper was discussed at some length by Messrs. Friedly, Cobban and Hebgen.

A PAPER BY AUDITOR HART OF INDIANA.

A paper by the Hon. William H. Hart, Auditor of State of Indiana, was read. It was on "The Reciprocal Relation of the State in the Supervision of Fire Insurance," and was as follows:

What has been denominated as the "strenuous life" in the epochs culled from the busy activities of men of achievement, is the pertinent name that can be given to the experience of fire insurance underwriting in the United States at the present, and in fact, for five years previous, leading up to what has now many of the serious phases of a crisis.

The time has already come when the concrete thought of a practical solution should be invoked, that a broad conference, supplemented with unity of action based on a "community of interest," shall be had, to the end that the sweep of disastrous conflagration may be checked and the irreparable financial losses saved from the besom of annihilation.

The gruesome recital of increasing fire losses would be a twice-told tale in repetition! The marshaling of those historic conflagrations within the memory of this generation, commencing with Chicago as the file leader, and running year by year down the line to Jacksonville—would not the lurid conviction deeper make that you are confronted with a condition that must be met and mastered, rather than a theory that feeds and fattens on homeopathy?

I contend it is a situation in which the State is vitally interested from the many sided standpoints that touch the protection of material progress and values, and which should certainly seek to surround a legitimate and necessarily hazardous interest with its strong arm of potential defense.

The mountain of ashes that is the yearly monument to mark the nation's half million of daily fire losses is all that is tangible of this appalling record of conflagration; for no matter what may be the measure of indemnity in dollars, the values that curl upward in smoke and flame perish from the tax duplicates of the commonwealth forever.

There should be the most generous reciprocity upon the part of the State toward fire underwriting, instead of studied statutes looking to hard conditions and grinding exactions.

In some of the commonwealths of the republic there are already fears of a partial paralysis of the business of underwriting in solvent and conservative companies, because of legislation founded upon prejudice and taxation that apparently classes insurance as a lottery.

I quote from the *Southeastern Underwriter* as to the situation in some of the States. After flying the red flag of danger to the business interests of the South because of the effects of adverse legislation, and which as a natural result has caused the withdrawal of so many companies, it says: "Should the same percentage of companies withdraw and retire as has in the past six months, inside of eighteen months it will be well nigh impossible to secure fire insurance in the smaller towns, or some of the large ones for that matter. The few companies that remain will write only such business as they care to, and at such rates as they have a mind to charge."

Take the matter of municipal taxation: In Alabama, per company, it is $1,372; in Georgia, $818; in Virginia, $1,045. Many of the towns and cities, in addition to a flat municipal license, place a percentage tax on gross premiums. In Macon, Ga., companies are taxed $50 per year, and one and a quarter tax on gross premiums.

The companies that have retired from St.. Louis this year represent $42,000,000 of assets. Fifty-six companies have retired from Kansas, and one-ninth of the companies from Tennessee.

It is not necessary to indicate the storm centres of adverse legislation that have marked a number of States in recent years. Business necessities, if not the enlightened judgment of the people, in the fullness of time must work a repeal of the extraordinary statutes of semi-piracy, and sheath the crusader's sword dangling from the Populistic reformers.

Without fire insurance, business would be in a paralysis. If long continued, the effect of drastic legislation will be to breed "wild cats" and irresponsibles in the States affected, and to drive out organizations of character and capital. The strong arm of protection to the thousand and one industries and enterprises that cannot be disassociated from the hazards of fire has its muscle and fibre in the great underwriting organizations of the republic that have weathered the colossal losses of the past and made it possible for a dozen cities of the Union, devastated by the most calamitous fires ever known, to rise phœnix-like from their ashes, and commence anew the onward and upward march to a greater prosperity following the wake of these disasters.

Insurance enters into the warp and woof of business security in every hamlet, town and city of the Union. It is no longer State or sectional, but national! The present status of State supervision should be speedily succeeded by Federal supervision.

The consensus of legal opinion probably sustains the judicial conclusion that insurance, most intimate and important adjunct as it is to the business and financial interests of all the people of the republic, is orphaned from any claim upon the United States.

It cannot even creep under the interstate commerce tent, as do those lesser national utilities, the railroads, but must be a football of fortune, kicked from pillar to post, in the forty-five sovereign principalities, within whose gates it runs the gamut of kaleidoscopic requirement, generally living, moving and having its being in a fever and ague of tremor and anxiety, solicitous as to the imposts and rulings that mark the fertility of diversified statutes incident to the system of State control.

I unhesitatingly pronounce the present variegated systems that go to make up the State supervision of insurance as cumbersome, unjust, illogical and an incubus, a crazy-quilt equally as different in statutory designs as was Babel in confusion of tongues, and before fire underwriting can free itself from the embarrassments that are increasing year by year, there must either be some constitutional method of Federal control enacted, or else uniformity in the statutes and requirements of all the States, supplemented by a repeal of unjust laws and a sponging out of unjust taxation and departmental tribute.

The pendulum has been steadily swinging against insurance interests in many States, but I believe it has reached the limit of its tether, and must swing back again. The force and flame in Patrick Henry's eloquent appeals for independence from the mother country was in his impassioned confidence that education, the cornerstone of right and justice, would assure the republic's future, and so I believe that the exigencies of the present will be schoolmasters directing the conscience and thought of the people to the ultimate righting of these wrongs.

As the insurance commissioner of a great and growing commonwealth, a State that has given conspicuous evidence of its patriotism, loyalty, progress and statesmanship, I plead for reform in insurance supervision so long as it may be exercised by States, to the end that so far as possible the Atlas may be lifted from the shoulders of this burdened interest.

The State should be something more than a child of the horse leech, forever crying, "Give, give." A commissioner should have duties other than those of sitting at the receipt of customs. There is a community of most intimate interest between the citizenship of a State and its authorized insurance.

The State should require absolute solvency, and exact what has been aptly termed the three C's—"Creed, Conscience and Character"—as a condition precedent to admission. It should require fidelity to contracts and the issuance of policies without ambiguity in conditions. It should place the standard of integrity on lofty levels and give the widest publicity as to the financial ability of admitted companies.

The people of a State believe, and have a right to believe, that the licensing of a company is a certificate of confidence, and this is one reason why the anomaly exists that while insurance is probably the most important general business interest in the State, there is comparatively so little knowledge of it as a science.

The time will come when insurance will be added to the curriculum of the standard business colleges. In fact, Chicago University at this time is seriously considering the addition of a four years' course in fire insurance.

The State should co-operate in its reciprocal relation to fire insurance interests by enacting legislation against causes, carelessness and cussedness.

Commendable progress has been made in several States by the enactment of fire marshal laws, but the statutes should be enlarged, and the basic hazards of fire origin heroically covered by laws that in a much more comprehensive way will give to these, the major sources of disaster and devastation, a fuller measure of prevention and prohibition.

We should profit by the insurance legislation of Europe. The coinsurance principle in fire insurance, which has been outlawed in some States, is arbitrarily applied to all policies issued in France, Belgium, Germany and Russia, and to floating policies in England. France has no anti-insurance laws whatever. It has the lightest losses and the lowest rates. It has the Code Napoleon, which should be incorporated bodily as the Code American.

Make it a portion of the forty-five State statutes of this country that every person shall be personally liable for any loss, damage or injury caused by his carelessness and add a presumption that the occupant of the house is negligent; boldly and justly enact that where a fire originates from a defect in a building the landlord is responsible to the tenant and to the owner of adjoining property, and you have practically dethroned the fire hazard as to the prolific source of carelessness.

Instead of passing valued policy laws, which are only a premium on incendiarism, energize this misdirected effort by practical legislation that will strike at arson and "unknown" causes.

There were 109,092 fires in the United States last year, with a loss of $161,000,000. The principal causes were incendiarism, defective flues, sparks, spontaneous combustion, electric lights and wires, furnaces, lightning and friction in machinery. In Chicago alone there were 14 incendiary fires, 52 supposedly so, 53 suspicious and 1,542 from "unknown" causes; $4,000,000 of losses were due to electricity. The fire marshal's report of 1900 for Massachusetts gives an analysis of the incendiary fires of that State, which shows that in staid old Boston nearly 3 per cent. of the fires were incendiary, and of these 15 were set to obtain insurance, one of the parties having had two previous fires and one party one previous fire; 6 were set for revenge, 4 for some cause unknown, 4 from maliciousness, 1 to cover theft, 1 to obtain work, 1 was the result of pyromania, and 1 was set by boys to escape from Rainford Island. Of the incendiary fires outside of Boston 57 were set for insurance, one person having had three previous fires and eleven one previous fire; 67 were set for some reason unknown, 39 from maliciousness, 25 per cent. being Fourth of July fires; 36 for revenge; 17 were set by insane people or were the result of pyromania; 6 were set to cover thefts; 5 were the result of intoxication; 1 was set to obtain a new school building; 1 to call attention from another fire which had been set, and 1 by boys to escape from the reform school.

Massachusetts being the pioneer in the establishment of a fire marshal bureau, and having advanced legislation directly against the causes of fires, the results in that State prove there is almost

a criminal responsibility resting in the halls of other State legislatures for the delay in not meeting this national emergency.

Take the record of a decade, which shows that in concrete results incendiarism has been reduced 28½ per cent., with an increase of arrests and convictions from 500 to 1,000 per cent.; $300,000 is saved the Commonwealth annually, and there is an average reduced fire waste of $2,000,000 annually.

The fire marshal's report shows that of the fires last year 3,690 were in wooden buildings, or 66 per cent. of the whole. There were 725 fires from incendiary and unknown causes outside of Boston, and an average burning of insured property value of 36 cents per $100.

And so in Ohio, with the experience of one year, the fire marshal's report shows that there were 549 fires of a suspicious origin; investigation led to forty-three arrests and twenty indictments; six of the "firebugs" were landed in the penitentiary, one in the insane asylum and one in the workhouse. In the ten years previous there had only been forty-one convictions of incendiaries, and in sixty of the eighty-eight counties not a single conviction in that time. The marshal says: "The relative proportion of fires caused by carelessness is much greater than that of fires resulting from any other cause. Many fires generally attributed to accident have been found upon investigation to be the result of carelessness, either direct or indirect; directly, from lack of care in handling explosives, matches, paints, ignitible oils, stoves, stovepipes, hot ashes, etc., and indirectly by the carelessness of the architect, the builder, the landlord, the tenant, the electrician, the plumber, etc."

Of the 6,672 fires in Ohio, 1,569 were caused by carelessness, and of the six millions of losses resultant, $1,320,331 were from fires of unknown and incendiary origin. Only four States have fire marshal laws—Massachusetts, Maine, Maryland and Ohio—and I regret to say eight other States defeated the effort to enact these statutes.

There are fire patrols and salvage corps in thirty cities. In my judgment there should not be a fire department without these adjuncts. They are essentially as necessary a part of the system as are the hose wagons, hydrants or water mains.

These are co-operative agencies the State should provide, and the results prove beyond any sort of question that with all the States lined up in solid phalanx, the moral and physical hazards could be effectively reached and those elements of degeneracy and disaster largely overcome.

The State is alert in dealing with all other hazards. Boards of health have autocratic powers. Let a measly microbe or a school of bacteria establish headquarters in your alley or backyard, and before their business hours are on the trestle board a detail of sundown doctors are camping on your trail with all sorts of mandamuses, armed with carbolic acid, red fire and the other multiple agencies of death and disinfection to rid the community of these physical hazards of the dear people's good health. Your child afflicted with scarlatina, or your mother-in-law with varioloid, and the same posse comitatus drapes your front windows with red flannel letters advertising "danger," ostracise you from civilization, and righteously and sensibly deal with these hazards to life. The outgrowth of these scientific dealings with the health hazards is the practical elimination of disease based on malaria, contaminated water, lack of sewerage and dirt generally. Havana, under the sanitary laws of American enforcement, has reduced yellow fever to a minimum. Quinine, that in the West was as staple as "hog and hominy," has, because of the missionary efforts of tile ditching, almost disappeared from the active principle of the druggist's prescription case. The State recognized certain hazards as the causes of diseases and death, and in the exercise of its police powers attacked not only the branch, but the root of the evil.

The fire waste has its microbes and its bacteria innumerable. Apply to fire causes the same heroic measure of legal power; deal with the fire situation relatively as boards of health are authorized to do with menaces to life, and you have made a score of Sabbath day journeys toward not only a substantial prevention, but an approximate cure for the glaring evils of the present.

I disapprove of taxing fire companies for the expense of fire marshal bureaus. You could as justly tax life insurance companies for the cost accruing from the efforts of boards of health. The State should continue its reciprocal relation by eliminating politics from its fire marshal and insurance departments. A fire marshal and his executive force should be expert underwriters, men of positive qualities, and have a tenure based on merit; and so with the bureau of insurance. If the State is to be benefited by competent and expert service, then the more modern partisan politics you have the more demoralization, and inefficiency will ensue. It is an appropriate bureau for genuine civil service and strong executive ability.

The junketing commissions in their examination raids for revenue only should not only go, but be gotten rid of with a "bogardus kicker." The wholesale manner in which some State departments have pirated on insurance companies has been inspired by the plethoric perquisite, and intentionally so. The State should pay for all necessary examinations, where an interchange between States of certificates of solvency based on expert investigations is not accepted.

The amount of departmental taxes collected last year from all fire companies, domestic, foreign and mutuals, was $5,040,415.

The reports of 158 of these companies show an additional expense of $56,198,325, and a net loss for the year of $6,277,994. The number of companies reinsured, failed or retired, 22; their capital, $3,200,000; assets, $11,466,570; net surplus, $2,647,575; premium income, 1900, $6,693,107; net amount at risk of these companies, $825,597,584. Is it not a "jug handle," all-on-one-side reciprocity that collects, when we add the franchise taxes, practically what the losses are?

Is it not time for the business public to call a halt on this tribute exacted by the State unless legislation can be uniformly framed that will deal with the fire hazard from the many standpoints of personal responsibility for carelessness, building construction, control of explosives and incendiarism?

The fire loss in 1890 was $108,993,792; in 1900, $160,929,805; and the fire loss in that period of ten years was equal to the present volume of the national debt. The great conflagrations of history originated from a carelessness that was criminal. The kick of Mrs. O'Leary's cow planted a 50 cent lantern of kerosene in a stable of combustibles resulting in the Chicago fire and a $200,000,000 loss. A small boy, a Fourth of July firecracker, and Portland in ashes.

The dilemma confronts the insurer, and it is up to the legislatures of the different States for a substantial and potential relief that can only come from judicious legislation.

Fire insurance is costing too much. It will go to a figure almost prohibitive unless legislation faces about and deals heroically with fire hazards. In the countries of the Old World with drastic legislation of this character rates are low, because losses are meagre.

Rates are not the arbitrary dictum of insurance boards, but are determined by the hazards and the public fire protection.

Fire insurance, through its medium of premiums collected and loss distribution, every year is increasing its mission of bridging a chasm between the commercial interests of the country and ruin. It is the reliant right arm of the artisan with his humble home, just as it is of the business enterprise involving an indemnity covering millions. It can never be a "trust" in the sense those gigantic and unholy combinations of capital are that seek to curtail production and stifle competition, because, like the avocation of farming, the very nature of its dealings antagonizes the possibility of monopoly.

Every paragraph of legislation laden with hard and unnatural conditions, with its penny of import or exercise, is, to the extent of enactment, a burden the insuring public bears.

Take the State with Populistic laws, both as to statutes and taxation, and you find the losses heaviest and rate the highest, and per contra in the States where legislation has been against the fire hazard the reverse result is gradually being experienced.

In those States of severe conditions, from which companies are withdrawing, there will be a mushroom growth of "fly by the night" companies that can only add to the losses of the public. The very crude experiment of mutual assessmentism has cost the country hundreds of thousands of dollars; alleged fire organizations will take the places evacuated by solvent and legitimate companies, with assets made of specious promises and settlements checked from such stuff as dreams are made of.

There is a great deal of Colonel Sellers' optimism in most any assessment fire insurance company, but usually contact with hard conditions is as disastrous with the latter as was the financial outcome of most of the genial colonel's glittering schemes.

Kipling's description of the launching of a vessel is apropos of the pyrotechnics surrounding the average amateur fire organizations that we all have in mind, either based on experience or ripened observation. Kipling well says: "It takes more than a christening to make a ship." It slides into the placid waters, is there laden and fitted for the test of actual conditions. Its nose touches the waves of the angry seas and it is tested from mast to hull as it plows over the white caps and bids defiance to the

storm. It moves on, its mechanism and construction perfect, anchoring in safety; not an experiment, but a ship in its majesty of perfection. And so with fire insurance companies, christening is not all. If it has the pilots, if it has integrity and solidity, if it has the essentials within itself to meet and master the problems of its mission, then, and only then, will it measure up to the merit of public confidence and be endowed with the assurance of a superb success.

I believe changed conditions can be accelerated through the pooling of issues by the underwriters of the nation. As Franklin said to the signers of the Declaration, "You must hang together, or else hang separately." The time has passed when any sort of material will shape itself into an insurance agent.

Your representatives should have, as the Methodists require of their "amen-corner" members, "the spirit and the understanding" of the science of underwriting, to the end that more than "horse sense" can be exercised in the initial judgment as to the environments that mark risks and the general business dealing with the public. You should get far and away from the idea that the class of men Pope speaks of as "all else is leather and prunello" can be metamorphosed or galvanized into insurance agents. Move your standard up a notch or two.

Then, I think, you underwriters should become members of the Legislature, get into politics, within your own party lines, and instead of fighting "valued policy laws" with a lobby, have representatives of expert knowledge and experience that can battle in committee and on the floor this and kindred fallacies.

Legislatures, as a body, want to do what is right. When it can be shown that the difference between premiums and losses in a county or State is not profit; that insurance deals with the country at large as to premiums, losses, hazards and ratings; that the expense element of near 40 per cent. can be curtailed very materially by legislation; that the aggregate of losses can be reduced by wholesome statutes against hazards; that this reduction of expenses and losses by legislation will reduce premiums, as it has in the older countries, then the law books of the States will be written by the pen of justice rather than by demagogues full of prejudice and avarice.

Twenty States in the last two years turned back the dial of justice and sought to enact valued policy laws.

You could not do a wiser act than circulate the veto message of Governor Shaw, of Iowa, against the valued policy law of that State.

Your agents should be able to talk "insurance" from a scientific standpoint, and be factors in the education of the public. You are dependent very largely on the legislation of the future, and you should base your efforts on getting the people en rapport with the unanswerable logic that seems to me from every standpoint is with your merits:

Tender-handed stroke the nettle,
And it grieves you for your pains;
Grasp it like a man of mettle,
And it soft as silk remains.

Believing as you do in the Christians' theology, you are at best flying in the face of manifest destiny, for the "day and hour no man knoweth" is facing every policy you write in the knowledge that this splendid planet is to be destroyed by fire, with a loss that will be total.

Were you gifted as the fabled salamanders, your occupation will be added to that of Othello's. Burned Chicago, evolved from its ashes, destined to be the commercial empress of the world, will forever be a monument kissing the skies to the integrity of fire insurance companies. With assets wiped from their ledgers by the severity of losses, these companies had representatives in this scourged metropolis before the flames had been quenched at Lincoln Park, proclaiming that policies would be paid in full, and stockholders went down into their pockets and redeemed those pledges.

And so in all the other great conflagrations that have devastated the cities of the republic the honor of these great underwriting interests has come through unstained, and policy obligations paid.

I plead here and everywhere for a supervision, whether State or Federal, that will be uniform in statute and practice from sea to sea; for a living chance to American underwriters, that they may "follow the flag" and furnish the world's indemnity as our commercial prowess encircles the globe; for a recognition of duty to the people, and justice to this strong bulwark of public dependence, that will enact laws tending to curtail the hazards associated with this great utility rather than those of burden and embarrassment; for the creation of fire marshal bureaus, nonpartisan in management, that will have the executive enforcement of these statutes, and for a broader investigation by the law makers of the republic of all laws dealing with the regulation of insurance in and between the States, to the end that right alone may be the guiding principle, for—

Right is right, since God is God,
And right the day will win;
To doubt would be disloyalty,
To falter would be sin.

On motion of Mr. Eddy, a rising vote of thanks was given to Auditor Hart and the committee on dissemination of information of the Western Union was invited to give his paper general circulation.

THE IDEAL VERSUS THE REAL, BY MR. McSWEEN.

Mr. J. F. McSween, of Omaha, Neb., special agent of the Franklin Fire insurance company, of Philadelphia, read a paper entitled "The Ideal Versus the Real." We have space for the following extracts:

Did the spirit of the ideal, or what ought to be, prevail in the fire insurance business to-day as it should, what existing evil could not be corrected; what necessary reform could not be accomplished; what intelligent advance in either policy, practice or principle could not be brought about? if the army of the thousands of local agents, reinforced by the hundreds of special agents, led by the combined wisdom and united intelligence and purpose of the managers of the one hundred and fifty companies doing business in the United States could be made to see that the entire interest was one and the various titles simply indicated their various relations to the fire insurance business and the matters incident thereto; that an injury done by one company to another, by one field man or by one local agent to another is an injury done to the entire fire insurance business and indicates a return to former conditions, proved to have been unsatisfactory and disastrous.

The real, or the conditions which exist, discovers a very different situation. Witness the relations as evidenced by the attitude of the managers toward the infant prodigy known as the National Association of Local Agents, which is familiar to you all.

These represent the extremes in their relations to the fire insurance business, the one absolutely necessary to the other and instead of the development of any feeling that would indicate that each represented a separate interest, every possible influence should be exerted to harmonize and intimately connect these extremes and thus further to the utmost possible the interests of both and also ameliorate the conditions growing out of the hostile attitude of the public toward fire insurance. The local agent is nearest the disaffected interest, and I believe that only through him can such attitude be modified or overcome. A writer in one of our prominent insurance journals, himself holding a manager's position, says: "I doubt if the occupants of official chairs, especially those who for a long series of years have not been in personal touch with the field, adequately appreciate that the popular mind is still tinctured with the hurtful idea that insurance companies deal uprightly only as they are compelled by statute."

Can the manager remove or modify this feeling alone? Will the agent do it alone? Not at all probable. Both acting together, however, the latter receiving his inspiration from the former, each animated by a desire solely for that which ought to be, will, in due course of time, observe the cloud no bigger, perhaps, than a man's hand, develop into a mighty storm, sweeping away the blind prejudice, the hostile attitude and the anything-to-beat-an-insurance-company feeling that now so thoroughly possesses the people.

The special agent forms the connecting link between manager and local agent as well as the channel through which such inspiration is to be transferred from the one to the other, and if ideal relations exist between them his position would be almost ideal, but if not, instead of inspiration being intercommunicated only a sense of shock and disturbance is experienced.

Two terms have been incorporated into our vocabulary, each signifying and representing opposite ideas. I refer to that of underwriter and insurance man. The former conveys to my mind the idea of thought, study and professionalism, while the latter carries with it the idea of indefiniteness, nondescriptness, a go-as-you-please, take-things-as-they-come sort of a proposition, having little or nothing of the professional about him.

The term underwriter came to us from a former time, while that of insurance man is of recent origin. The underwriter is the one who develops the business from the spirit side of it,

while the insurance man prosecutes it as he finds it, and has regard mainly to the letter side. All may be insurance men, but all are not underwriters.

That the ideal underwriter, whether manager, field man or local agent, is still to be a development of the future I think none will deny, but to the underwriter of the past we must ascribe all the glory and cheerfully assign all the credit for the heritage which we enjoy. From him as the idealist in our business came our ideal contract, to which I have already referred, which, through an abnormal and irrational form thereon, the realist so frequently nullifies, while he complains about it. From him as the student and thinker has come the many clauses having for their object plain justice between insurer and insured, such as pro rata, average and other clauses, regarding which the realist seems indifferent, taking chances rather than following principles.

From him as the author of whatever development has been achieved in the fire insurance business has come the idea of concurrency in policy forms, rate making by schedule, the value of privileges, etc., regarding the value of all of which the realist in the business seems to fail fully to appreciate; hence blanket forms of policy are not at all uncommon, rate cutting exceedingly common, privileges granted without charge, serious hazards lightly estimated, etc.

The underwriter of the future is described by a distinguished veteran who was well qualified to speak, in view of the fact that he had been identified with the business in every detail from local agent to manager of one of the largest and most successful fire insurance companies in America. He says: "His name we may not impart, but his qualities we may describe. He will be made, not born. He will be trained in his profession, commencing near the lower round of the ladder. In it he will acquire the habit of wide observation through discipline and knowledge. His grasp will extend beyond the mere technique of the business, and take in conditions of finance and trade, the study of men and movements and their relation to general enterprise; with quick perceptions he will combine a spirit of aggressive enterprise and persevering energy. He must possess fertile resources and virility of character. His attitude toward competitors will be that of honorable co-operation in associated effort, suffering neither selfish prejudices nor aggrandizing purposes to isolate his influence in measures for the general good. He will be no specialist, working along narrow lines, expecting to avoid the experience inseparable from existing conditions, or the discoverer of remedies for the cure of all difficulties the profession encounters; for the business which he is to direct must be organized on a broad and comprehensive basis. He will neither cling to nor discard the old because it is old, nor chase after or reject the new because it is new. He will be an even and well balanced man, not carried away by unusual success nor depressed by unusual reverses, for success and reverses will never cease to follow each other in the life of the underwriter. Above all, probity and moral rectitude will hold no mean place in the fibre of his character."

That this description forms an ideal worthy the best efforts of every man engaged in the fire insurance business will be at once conceded, and were its counterpart as numerous as it should be, the professional character of fire insurance would be established and the appropriation of the term underwriter by each one of us would change present conditions as if by magic, and the underwriter's profession would be one of honor and its achievements noted with a pardonable pride. * *

We must not be satisfied with conditions as they are, but fixing our minds upon the ideal, we must, one and all, make our every effort tell with the greatest possible force for the bringing in of conditions as they ought to be.

Not in the clamor of the crowded streets,
Not in the shouts and plaudits of the throng,
But in ourselves are triumphs and defeats.
We live in deeds, not years; in thoughts, not breaths;
In feelings, not in figures on a dial.
We should count time by heart-throbs. He most lives
Who thinks most, feels the noblest, acts the best.

At the afternoon session memorials on the deceased members were presented and read.

ELECTION OF OFFICERS.

Much interest was manifested in the association before and during this day's session in the selection of a president for the ensuing year, the candidates for the honor being H. N. Wood, of Omaha, Nebraska State agent of the North British and Mercantile; Fred W. Williams, of Chicago, Western special agent of the Aachen and Munich, and H. H. Friedly, of Indianapolis, Indiana State agent of the Insurance Company of North America. The friends of each canvassed busily for them and three ballots had to be taken before a selection was reached. The ballots were as follows: First--Wood, 97; Friedly, 81; Williams, 69. Second--Wood, 106; Friedly, 76; Williams, 62. (At the conclusion of the second ballot Mr. Williams withdrew.) Third—Wood, 122; Friedly, 111. This elected Mr. Wood.

Fred W. Williams was unanimously elected vice-president. D. S. Wagner was elected secretary and J. A. Kelsey treasurer.

The following directors were elected during the meeting: J. George Stauffer, Fred. W. Williams, J. A. Kelsey, J. L. Whitlock, D. S. Wagner, J. B. Tallman and J. H. Caswell, of Chicago; H. H. Friedly, Indianapolis; H. N. Wood, Omaha; J. M. Wallace, Dayton; W. A. Chapman, Milwaukee; J. K. Livingston, Jackson, Mich., and D. J. Matteson, St. Louis.

Mr. Wood, on being installed, made a brief speech of thanks.

Mr. Hubble gave notice of a proposed amendment to the by-laws, providing for the election of president from the membership of the association. At present the president must be elected from the board of directors.

An adjournment *sine die* then took place.

Insurance in the Courts.

The Nebraska Anti-Compact Law Declared Unconstitutional.

At Council Bluffs, Ia., this week, Judge McPherson, in the United States District Court, in the case of the Niagara Fire insurance company vs. John F. Cornell, State Auditor of Nebraska, et al., rendered an opinion adverse to the constitutionality of the Nebraska anti-trust or anti-compact law. We are indebted to the courtesy of the *Journal of Commerce* for a copy of the text of the decision, from which we make extracts as follows:

But that both of these statutes, in their general scope, are unconstitutional I have no doubt. And sitting as a trial court, and being free from all doubt, I must so declare. And so holding, I shall as briefly as possible give my reasons. But I can serve no useful purpose by reviewing all the authorities cited by counsel.

The cases arising under the "Commercial Clause" of the Constitution are not in point, because insurance is not commerce.

The one statute (Senate file No. 2) is directed against insurance companies only. It declares as void all agreements by fire insurance companies as to any of the following things:

A. Relating to the rates to be charged for insurance.

B. The amounts of commissions to be charged by agents to their companies.

C. The manner of transacting the business of fire insurance.

It is possible that the Legislature can prohibit an agreement fixing the premiums to be charged. And yet it is difficult to believe that if by such agreement the rates were less than otherwise would be charged, such agreement would be unlawful. And yet an agreement to lower the rates becomes unlawful if that statute is valid. But whether less or more, we all know that agreements are made as to other commodities in every community every day of the year. Employers of labor agree that they will pay, and laboring men agree for what sum only they will work and the hours per day and per week they will work. Buyers, shippers and venders of live stock, grain, groceries, clothing, anything and everything are the subject of agreement, both by those who buy and those who sell. And yet the courts have gone farther in limiting the right of contract as to rates to be charged for insurance than upon any other subject of legitimate business. Possibly that phase of the law is valid. But it is beyond my comprehension how the Legislature can inhibit the making of contracts as to the amounts to be paid agents for securing insurance. The amount paid agents does not increase the cost to the insured. The cost to the insured is controlled by too many other factors, such as profits to the company, the economy of management, the moral

as well as the physical hazard relating to the property insured, the rates of interest received on the surplus and capital, and interest paid on money borrowed, and no doubt many other things.

How is such a provision the exercise of the police power?

Still more obnoxious is the other provision, which declares all agreements void that relate to "the manner of transacting business."

Is it possible that two or more companies cannot agree as to any of the following things?

How many officers they shall have or their duties?

What are regarded as moral hazards?

Whether they will insure saloons, or bawdy houses, or dens of vice?

Whether they will take written applications and whether they shall be annexed to the policies or whether statements of the insured shall be warranted or representations?

Or whether they will do business by correspondence or by agents?

If this statute prevails, then the manner of doing business, if by agreement, whether harmful or beneficial to good order and the welfare of the people of Nebraska, must be held as unlawful.

And if such legislation is valid is not the boasted right of liberty of contract entirely subject to legislative control?

And there is no more sacred right under our Government than the right of contract. Without it business cannot be transacted for a day by any person. Contracts, express or implied, enter into every transaction, with every person, every day of the year. * *

If this statute is valid, two men in the same line of business in the same town or village cannot form a partnership if it tends to maintain prices. They must continue, each for himself, until one or the other or both are destroyed. Neither can a stock company, nor a corporation, be formed by two or more if by so doing the price is maintained. This statute is not a step, but it is a long stride hundred of years backward, when monarchs, cabinet officers and every parliament decreed the price to be paid for a day's labor and the cost of all necessaries of life, even to the loaf of bread. Anyone with but the slightest knowledge of history will recall what tyranny and brutality existed in England by reason of such laws, and in France down to the Revolution.

If this statute is valid, the next step may be and can be, and probably will be, the granting of exclusive rights to certain persons only to pursue an occupation. It would be probable, because those let in would be the more thrifty. Drive out three-fourths of the barbers, or waiters, or carpenters, or blacksmiths, and those remaining would be thrifty, even at the old price. Competition and contracts would be at an end. If we cannot acquire property, then we have a government of socialism. And how can we acquire property or enjoy the property we do have without the right of contract?

If this law is valid, two or more farmers cannot agree that they will not sell their wheat to a neighboring mill for less than so much per bushel. Two or more farmers cannot agree that the live stock feeder shall not have their corn only at a certain price. Blacksmiths cannot agree that they will charge so much for shoeing horses. Nothing can be agreed to by the manufacturer, the farmer, gardener, the contractor, consumer or laborer to prevent the reduction of prices. Can it be possible that such legislation is valid? If it is valid, then what becomes of the provision "No man shall be deprived of equal protection of the law," or of that other provision "No man shall be deprived of life, liberty or property without due process of law."

The court concludes the opinion, which is very long and exhaustive, with the following:

I can reach no other conclusion but that complaints should have a decree. And it is ordered.

Chartered 1866. 33 Years Successful Business.

The Hartford Life Insurance Co.,

HARTFORD, CONN.

Every desirable form of up-to-date contract is issued by this old and sterling company.

All rates and values guaranteed in the contract.

$18,500,000 Paid in Benefits.

Ratio of Assets to Liabilities, $142 to $100.

GEO. E. KEENEY, President. CHAS. H. BACALL, Secretary.

State Mutual Life Assurance Co.,

OF WORCESTER, MASS.

A. G. BULLOCK, President.

Incorporated 1844.

Issues policies, incontestable after two years, protected by the Non-Forfeiture Law of Massachusetts. Yearly dividends.

Assets	$17,754,046
Liabilities	15,889 512
Surplus January 1, 1901	$1,864,534

C. W. ANDERSON, General Agent, 189 BROADWAY, NEW YORK.

COMMERCIAL UNION ASSURANCE CO.

LIMITED,

OF LONDON.

OFFICE:

Cor. Pine & William Sts., New York.

Instituted in Reign of Queen Anne, A. D. 1714.

Union Assurance Society of London

No Overhead Writing

No Dual Agencies.

Loyalty to Local Agents.

United States Offices: Society's Building,

35 Pine Street, New York, ... Hall & Henshaw, Managers
171 La Salle Street, Chicago, . . . Hall & Henshaw, Managers
35 Kilby Street, Boston, . . Hall, Henshaw & Gilmour, Managers
English-American Building, Atlanta, Ga., . George N. Hurt, Manager
Mining Exchange Building, Denver, Col., Gerald L. Schuyler, Manager

AGENTS IN ALL THE PRINCIPAL TOWNS AND CITIES.

Capital, $2,500,000. AGENTS WANTED.

SURETY ON BONDS.

HOME OFFICE BUILDING, NEW YORK.

American Surety Co.,

100 BROADWAY,

NEW YORK.

Capital, $2,500,000.

STATEMENT DECEMBER 31, 1900.

Resources (including Capital, $2,500,000)	$5,354,285.00
Liabilities (including Reserve, $592,251.67)	900,995.71

HENRY D. LYMAN, *President.* W. S. JOHNSTON, *Vice-President.*

TELEPHONE: CORTLANDT 5395.

H. L. PALMER, Pres't.
J. W. SKINNER, Sec'y.

THE

ORGANIZED 1857.

Northwestern Mutual Life Ins. Co.

PURELY MUTUAL AND TRANSACTS BUSINESS ONLY IN THE UNITED STATES.

LOW MORTALITY. & ECONOMICAL MANAGEMENT

STATEMENT, JANUARY 1st, 1901.

Assets	$139,512,166
Liabilities, including $23,360,346 approximate surplus accumulations held to meet tontine and semi-tontine contracts	133,945,513
General Surplus	$ 5,566,653
Income during 1900	$ 27,160,804
Insurance Written during 1900*	$ 65,345,814
Insurance Gained during 1900*	42,552,954
Insurance in Force*	529,647,290

* Including only business actually paid for.

NO REBATING PERMITTED.

BEST RESULTS TO POLICY-HOLDERS. MOST ATTRACTIVE POLICIES.

Business Accepted Only From Regular Agents of the Company.

For Further Information, or an Agency, address:

WILLARD MERRILL, Vice Pres't and Sup't of Agencies, Milwaukee, Wis.

Germania Fire Insurance Co.

Southeast Corner of William and Cedar Streets, New York.

STATEMENT, JANUARY 1, 1901.

Cash Capital	$1,000,000.00
Reserve for Unearned Premiums	1,563,778.00
Reserve for Losses under adjustment	81,571.61
Reserve for all other Claims	42,475.49
Net Surplus	2,275,975.38
Total Assets	$4,963,800.48

HUGO SCHUMANN, Prest.

FR. VON BERNUTH, GEO. B. EDWARDS, } Vice-Presidents. CHARLES RUYKHAVER, sec. GUSTAV KHER, Asst. sec.

Northern Assurance Company,

OF LONDON, ENGLAND.

EASTERN AND SOUTHERN DEPARTMENTS,

38 PINE STREET, NEW YORK.

GEORGE W. BABB, Jr., Manager. T. A. RALSTON, Sub-Manager.

The Lancashire Insurance Company

OF MANCHESTER, ENG.

MILTON DARGAN, Manager,

25 Pine Street, NEW YORK.

Established 1782.

Phœnix Assurance Company,

OF LONDON.

FIRE INSURANCE ONLY. LOSSES PAID OVER $100,000,000.

Head Office for the United States, 37 Liberty St., N. Y.

A. D. IRVING, Manager. E. B. CLARK, Asst. Manager.
LOUIS P. BAYARD, 2d Asst. Manager.

ESTABLISHED IN 1822.

THE NATIONAL ASSURANCE COMPANY OF IRELAND.

GEORGE E. KENDALL,
United States Manager,
HARTFORD, CONN.

The Mutual Benefit Life Insurance Co.

NEWARK, N. J.

AMZI DODD, - - PRESIDENT.

ASSETS (Market Values) Jan. 1, 1901	$74,311,468 25
LIABILITIES, N. J. and N. Y. Standard	68,186,103.34
SURPLUS	6,125,364.91

MUTUAL BENEFIT POLICIES

—CONTAIN—

Special and Peculiar Advantages

WHICH ARE NOT COMBINED IN THE

POLICIES OF ANY OTHER COMPANY.

Liverpool & London & Globe Ins. Co.,

ESTABLISHED, 1836. ENTERED THE UNITED STATES, 1848.

NEW YORK OFFICE:
WILLIAM & PINE STREETS.

NEW ENGLAND, NEW YORK, PENNSYLVANIA, OHIO, INDIANA, KENTUCKY, TENNESSEE, ARKANSAS, MARYLAND, DELAWARE, DISTRICT OF COLUMBIA, VIRGINIA, WEST VIRGINIA, NORTH AND SOUTH CAROLINA.

H. W. EATON, Resident Manager.
GEO. W. HOYT, Deputy Manager.
JOHN J. MARTIN, Agency Superintendent.

CHICAGO OFFICE:
203—205 LA SALLE STREET

ILLINOIS, MICHIGAN, IOWA, WISCONSIN, MINNESOTA, MISSOURI, KANSAS, NEBRASKA COLORADO, DAKOTA, MONTANA, UTAH, WYOMING AND NEW MEXICO

W. S. WARREN, Resident Secretary.
GEO. H. MOORE, J. V. THOMAS, Assistant Secretaries.

NEW ORLEANS OFFICE:
Corner CARONDELET AND GRAVIER STREETS.

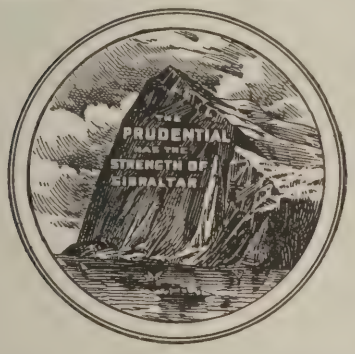
LOUISIANA, MISSISSIPPI, ALABAMA, GEORGIA, FLORIDA, TEXAS.

CLARENCE F. LOW, Resident Secretary.
J. G. PEPPER, Assistant Secretary.

SAN FRANCISCO OFFICE:
422 CALIFORNIA STREET.

CALIFORNIA, NEVADA, OREGON, WASHINGTON, IDAHO, ARIZONA

CHARLES D. HAVEN, Resident Manager.
C. MASON KINNE, Assistant Secretary.



ORDINARY and INDUSTRIAL PROFIT SHARING POLICIES.

EXCEPTIONAL ADVANTAGES TO

..... Active Agents.

WRITE TO

THE PRUDENTIAL INSURANCE CO. OF AMERICA

JOHN F. DRYDEN, President. Home Office: NEWARK, N. J.

1850. THE 1901

United States Life Ins. Co.

IN THE CITY OF NEW YORK.

GEORGE H. BURFORD, President.

FINANCE COMMITTEE.

GEO. G. WILLIAMS, ... *President Chemical National Bank*
JOHN J. TUCKER, ... *Builder*
E. H. PERKINS, JR., *President Importers' and Traders' National Bank*
JAMES R. PLUM, ... *Leather*

Active and successful Agents who desire to make Direct Contracts with this well-established and progressive Company, thereby securing for themselves not only an immediate return for their work, but also an increasing annual income commensurate with their success, are invited to communicate with RICHARD E. COCHRAN, 3d Vice-President, at the Company's Office, 277 Broadway, New York City.

Assets over $8,000,000. Insurance in Force, over $40,000,000

When Working for The Mutual Life...

You needn't introduce the Company—the Company introduces you. There you have it. You needn't take a minute or a word to prove where The Mutual stands or what it stands for. The whole world knows its masterful leadership—just as you know it yourself. But there are some things you may not know.

DO YOU KNOW

That **The Mutual Life** is especially helpful to agents?
That **The Mutual Life** writes the most liberal policies?
That **The Mutual Life** gives the highest guarantees?
That **The Mutual Life** has policies that meet every requirement of investment as well as of protection?

Look into these things. Take no one's say so, but investigate,

The Mutual Life Insurance Company

OF NEW YORK,

RICHARD A. McCURDY, President.

IT IS THE LARGEST FINANCIAL INSTITUTION IN THE WORLD.

Income in 1900, - - - $60,582,802.31
Assets January 1, 1901, - - $325,753,152.51

It has room for workers who are not rebaters. Address

GEORGE T. DEXTER,

Superintendent of Domestic Agencies,

NEW YORK.

Connecticut General Life Ins. Co.,

HARTFORD, CONN.

Assets, January 1, 1901	$3,765,824.33
Liabilities	3,416,031.86
Surplus to Policy-holders	$349,792.67

This Company offers a Policy having liberal provisions for Cash Values, Paid-Up Insurance, Residence and Travel, with Ample Security. Active and Experienced Agents Wanted.

R. W. HUNTINGTON, Jr., President. E. B. PECK, Assistant Secretary
F. V. HUDSON, Secretary. JAMES A. TURNBULL, Actuary.

QUEEN

Ins. Co. of America.

NEW YORK.

Phœnix Mutual Life Insurance Co.

OF HARTFORD, CONN.

ORGANIZED IN 1851.

Assets, January 1, 1901	$13,278,711.73
Surplus at Four per cent	564,656.73

Total Paid Policy-holders over
—$42,500,000—

ACTIVE AND INTELLIGENT MEN WANTED AS AGENTS, with whom liberal contracts will be made. Desirable territory now open.

The new plans of the Company are brief, clear and liberal. Life and Endowment Policies have endorsed upon them definite cash, loan, and paid-up values, and in case of lapse, insurance is extended without action on the part of the insured.

J. B. BUNCE, President. J. M. HOLCOMBE, Vice-President.
C. H. LAWRENCE, Secretary.
NEW YORK OFFICE: WEED & KENNEDY, Managers, 149 Broadway.

THE Fidelity and Casualty Company,

97-103 CEDAR STREET, NEW YORK CITY.

Assets, $4,435,558.87. Surplus, $1,107,870.54.
Losses Paid to June 30, 1901, $13,478,114.16.

CASUALTY INSURANCE SPECIALTIES:

Bonds of Suretyship for persons in positions of trust, Personal Accident, Plate Glass, Boiler, Elevator, Employers' and Landlords' Liability.

OFFICERS:

GEORGE F. SEWARD, President.
ROBERT J. HILLAS, Secretary and Treasurer.
HENRY CROSSLEY, Assistant Secretary.
FRANK E. LAW, Second Assistant Secretary.

The Agricultural Insurance Company of Watertown, N. Y.

ESTABLISHED 1853.

Assets, January 1, 1901	$2,283,558.42
Total Liabilities, except Capital	$1,240,017.87
Joint Stock Capital	500,000.00

Western Assurance Company.

HEAD OFFICE: TORONTO, CANADA.

INCORPORATED 1851.

Hon. GEO. A. COX, President.
J. J. KENNY, V. P., and Managing Director.
UNITED STATES STATEMENT, JANUARY, 1901.

Assets	$2,016,370.78
Surplus in United States	638,430.59

INCORPORATED 1865

GERMAN INSURANCE CO.

OF FREEPORT, ILL.

The Largest and Most Successful Fire Insurance Company in the West.

Assets, January 1, 1901,	$3,656,401.59
Cash Capital,	200,000.00
Liabilities, including reinsurance,	2,181,179.89
NET SURPLUS,	1,275,221.70

C. O. COLLMAN, Pres. HENRY BAIER, Vice-Pres. D. B. SCHULTE, Treas.
WM. TREMBOR, Sec. F. M. GUND, Ass't Sec.

National Fire Insurance Company,

HARTFORD, CONN.

JAMES NICHOLS, President. B. R. STILLMAN, Secretary.
H. A. SMITH, Assistant Secretary.
HEAD OFFICE, 95 Pearl Street, Hartford, Conn.

WESTERN DEPARTMENT.
FRED. S. JAMES, General Agent.
G. W. BLOSSOM, Asst. Gen'l Agent.
Office, 174 La Salle St., Chicago.

PACIFIC DEPARTMENT.
GEO. D. DORNIN, - Manager.
GEO. W. DORNIN, Asst. Manager.
Office, 409 California St., San Fran.

German American Insurance Company New York

29th ANNUAL STATEMENT, JANUARY 1st, 1901.

Cash Capital,	$1,000,000.00
Reserve for all Liabilities,	3,408,569.64
Net Surplus,	4,267,711.70
TOTAL ASSETS,	$8,676,281.34

ÆTNA LIFE INSURANCE CO.

MORGAN G. BULKELEY, PRESIDENT

Largest Company in the World doing Life, Accident and Health business

ASSETS, OVER . . . $56,000,000.

MOWRY and PATTERSON, Managers Life Department.
GEORGE C. STERLING, Manager Accident Department.

Continental Building, 46 Cedar Street, NEW YORK CITY.

Sun Ins. Office of London, England.

J. J. GUILE, U. S. MANAGER.

OFFICE : 54 PINE STREET, NEW YORK.

HANOVER

Agencies in all the Principal Places in the United States.

Fire Insurance Company

OF NEW YORK.

Scottish Union & National Ins. Co.

ESTABLISHED 1824.

No. 35 St. Andrew Square, Edinburgh, Scotland.
No. 3 King William Street, E. C., London.

United States Branch: Hartford, Conn.

Lion Fire Insurance Company,

84 QUEEN ST., CHEAPSIDE,
LONDON, ... ENGLAND.

United States Branch: Hartford, Conn.

Royal INSURANCE COMPANY (FIRE) OF LIVERPOOL, ENGLAND.

Statement of United States Branch,

JANUARY 1, 1901.

Assets, held in the U. S. for the special protection of its American Policy-holders.	$7,187,715.01
Liabilities, ...	4,703,671.36
Net Surplus, ...	$2,484,043.65

AGENCIES IN ALL THE PRINCIPAL CITIES, TOWNS AND VILLAGES IN THE UNITED STATES.

Caledonian Ins. Co., of Scotland.

FOUNDED 1805.

"The Oldest Scottish Insurance Office."

United States Head Office, 27-29 Pine Street, New York City.

STATEMENT JANUARY 1, 1901.

Assets	$1,910,617.66
Liabilities	1,101,382.62
Net Surplus in the United States	$809,235.04

CHARLES H. POST, U. S. Mgr. N. A. MCNEIL, Ass't U. S. Mgr.

The Massachusetts Mutual Life Insurance Company,

INCORPORATED 1851.

SPRINGFIELD, MASS.

ASSETS - January 1, 1901	$26.245,622.04
LIABILITIES	23,920,986 53
SURPLUS	2,324,635.51

Definite Paid-up and Cash Surrender Values written in every Policy.

JOHN A. HALL, President. HENRY M. PHILLIPS, Secretary.

New York Office: Empire Building, 71 Broadway.
GEORGE J. WIGHT, Manager.

Head Office for the United States:

57 and 59 William Street,

NEW YORK.

A. G. McIlwaine, Jr., Manager.

PHENIX INSURANCE COMPANY,

OF BROOKLYN, N. Y.

NEW YORK OFFICE:
47 CEDAR ST.

1846—1901.

THE CONNECTICUT MUTUAL LIFE

Insurance Company.

WHERE THE CONNECTICUT MUTUAL STANDS.

During all the long struggle out of which this situation has developed, and amid the many schemes devised to attract public attention and favor to something else than life insurance, the attitude and position of the Connecticut Mutual have never been doubtful.

It has held to the cardinal facts: Life insurance is for the protection of those dependent on a man's life; their dependence makes it his unavoidable duty. Those dependents we assume to protect by our contract, at his personal cost; our duty to them is to make that protection as large, as secure, and as certainly available to them as possible; our duty to him is to make its cost to him as small as possible.

JACOB L. GREENE, President. **HERBERT H. WHITE, Secretary.**
JOHN M. TAYLOR, Vice-President. **DANIEL H. WELLS, Actuary.**

The Metropolitan Life Insurance Co.

(INCORPORATED BY THE STATE OF NEW YORK.)

"The Leading Industrial Insurance Company of America,"
IS REPRESENTED IN ALL THE PRINCIPAL CITIES OF THE UNITED STATES AND IN CANADA. THE PAYMENT OF OVER 250 DEATH CLAIMS DAILY TELLS OF THE GOOD IT DOES. INSURANCE IN FORCE OF OVER $900,000,000 ATTESTS ITS GREATNESS AND FAVOR WITH THE PUBLIC.

Permanent, Profitable and Progressive Employment.

AGENTS WANTED—Any honest, capable, industrious man, who is willing to begin at the bottom and acquire a complete knowledge of the details of the business by diligent study and practical experience can, by demonstrating his capacity, establish his claim to the highest position in the field. It is within his certain reach. The opportunities for merited advancement are unlimited. All needed explanations will be furnished upon application to the company's superintendents in any of the principal cities, or to the Home Office, No. 1 Madison Avenue, New York City.

JOHN R. HEGEMAN, President.
HALEY FISKE, Vice-President. GEORGE H. GASTON, Second Vice-President. GEORGE B. WOODWARD, Secretary. J. J. THOMPSON, Cashier and Assistant Secretary. JAMES M. CRAIG, Actuary. JAMES S. ROBERTS, Assistant Secretary. STEWART L. WOODFORD, Counsel. THOS. H. WILLARD, Medical Director. A. S. KNIGHT, Assistant Medical Director.

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.
FOUNDED 1792.

Assets, January 1, 1901		$9,583,791
LIABILITIES—Reserved for Reinsurance and all other claims	$4,805,254	
Capital Stock	3,000,000	
Surplus over all Liabilities	1,778,537	$9,583,791

Agents in all the principal towns and cities.

CHARLES PLATT, President. EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. BENJAMIN RUSH, Second Vice-President.
T. HOUARD WRIGHT, Marine Secretary. JOHN B. ATWOOD, Assistant Secretary.

Offices in New York: Fire, William and Pine Sts.; Marine, 63 Wall St.

1825. THE 1901.

Pennsylvania Fire Insurance Co.

OF PHILADELPHIA.

Cash Capital,	$400,000.00
Re-insurance and all Liabilities,	2,771,038.56
Surplus,	2,163,883.97
Total January 1, 1901,	$5,334,922.53

R. DALE BENSON, Prest. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Prest. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

INCORPORATED 1851.

The Berkshire Life Insurance Co.

OF PITTSFIELD, Mass.

All Policies issued by the Company are subject to the Massachusetts Non-Forfeiture Law.

WM. R. PLUNKETT, President.
JAS. M. BARKER, Vice-Pres. JAS. W. HULL, Sec'y and Treas.
Agencies in all the principal cities of the United States.

Provident Life and Trust Co.

OF PHILADELPHIA.

The best in Life Insurance is likely to be the cheapest. The same fidelity, skill and care which are necessary to guarantee the future security of a company result in the lowest cost. A good test, therefore, is to determine whether the organization and the surroundings of a company exclude all doubt as to future security. In determining this the question of cost is determined also. **THE PROVIDENT LIFE AND TRUST COMPANY** invites inquiry as to its organization and the provisions for safety afforded. For the full period of its existence the death rate has been only .614 of the rate indicated by the authoritative tables.

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

VOL. LXV. SATURDAY, OCTOBER 5, 1901. No. 14.

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Checks and money orders should be made payable to the order of THE WEEKLY UNDERWRITER.

L. D. MOWRY. W. F. PATTERSON.

MOWRY & PATTERSON, 46 Cedar street.

Telephone: 1387 John. NEW YORK, September 30, 1901.

DEAR SIR—Before paying the premium on your life insurance, about due, you should make very careful inquiry as to the stability of the company in which it is carried, as grave questions have arisen regarding the solvency of one or two of them. We have definite information received from the latest official examination and from other sources that may prove of exceptional interest to you at the present time, and which we will give you upon appointment of an interview. Very truly yours, MOWRY & PATTERSON.

THE person to whom the above was addressed sent it to the agents of the company in which his life was insured, with the following comments:

DEAR SIRS—Do these people mean your company? This seems to me to be the most damnable method of getting business that I have come across for some time. There ought to be some way of reaching them.

We print the above correspondence, omitting only the names of the policy-holder and the agents of the company referred to. A representative of this paper in an interview with the officers of the company learned that this is but one instance of many in which Messrs. Mowry & Patterson have tried to work their nefarious scheme to twist policies. Mowry & Patterson, we regret to learn, are the managers of the life department of the Ætna Life insurance company for the city of New York. We believe that the gentlemen who are the officers and managers of that excellent company have no knowledge that their representatives are engaged in such despicable business as this correspondence exposes, and that when they learn the facts they will take the same and as prompt action as they did with Zippel & Hewitt in 1899, when those persons were endeavoring to establish a wholesale business of twisting policies. We heartily concur in the opinion expressed by the policy-holder as to the methods used by Mowry & Patterson, and will repeat our reply to Zippel & Hewitt when they asked for our opinion of their business, as it is applicable to Mowry & Patterson:

Our "honest opinion" is that their business is twisting policies, and twisting is about the meanest business in which one can engage. The twister does not require the courage of a housebreaker nor the boldness of a thug. He only needs the cunning of a pickpocket or the slyness of a sneak thief.

It is commendable in Messrs. Mowry & Patterson that they do not use the letter heads of the company which they represent; so it is not smeared with the outward signs of the unsavory reputation that they are earning for themselves. But if the Ætna Life insurance company, after becoming cognizant of the unscrupulous methods of their agents, continues the connection it will be amenable to the just censure which it will receive. We feel sure that the company will not allow that to occur, and will take the only means possible to preserve the good name it has in this city, by securing agents that will use only such methods in conducting their business as are above reproach in every respect. It cannot afford to keep men capable of artifices that even an anarchist would scorn. Mowry & Patterson undoubtedly have obtained in some discreditable way a list of policy-holders of the company on which they are making their raid, and are putting it to the equally discreditable use shown in the letter of theirs which we print.

THE Provident Savings Life Assurance Society is one of the most progressive of the younger companies, and its rapid development into one of the greatest is a very interesting business feature of the times. A study of the reports of the examination of its condition just completed by two State insurance departments, which we reprint in full in this issue, will reveal the reasons of its growth in strength and public confidence. These are, in brief, that while the management is pushing for a large business, its efforts are made along safe and economical lines. It meets all its liabilities promptly, and its books contain no record of unpaid claims which are due and approved. Its accounts are correctly and concisely kept. The examiners find that the value of its assets is conservatively appraised, so as to leave a possible margin for shrinkage. Coming to details they note that the loans on bond and mortgage are placed judiciously, and the stocks and bonds owned by the company are of a high grade and show substantial profit over cost, while the real estate is safely worth its appraisal. The summing up is that the company is "in a safe, healthy and prosperous condition." Nothing could be more satisfactory to members and managers than this conclusion. The reader of Actuary Walter C. Wright's report upon the society will observe that he has valued its policies according to their expressed and intended terms, and that he strenuously and successfully defends that mode of valuation. He is in line with the opinion of the Supreme Court of Vermont, the only judicial decision that has been made on the subject, and with those of a large number of responsible actuaries, and of all the State departments of insurance, so far as heard from, except those of Massachusetts and Vermont.

THE cable news which we printed last week of the amalgamation of the Phœnix and Atlas fire offices of London was confirmed later by the United States branch managers, who were at last let into a knowledge of the fact by their home offices, after it had been an open secret in London for at least two weeks, as will be seen by the article in the *Post Magazine* of September 21, which we reprint in another column. According to that veracious chronicler the proprietors of the Phœnix were so determined to have the services of Mr. Pipkin, of the Atlas, that when that gentleman firmly declined to give up his first love for any other, they arranged the matter by giving up their company to him. Thus the man—

because a man to manage successfully is essential and great managers are scarce in England at present—was the cause of the amalgamation. The personal triumph of Mr. Pipkin is immense. The details of the arrangement are that neither company loses its identity, but under the combination they take the name of the Phœnix and Atlas Fire Office, Limited, and that capitals, assets, boards of directors and official staffs become united. What this means as to management and agencies in the United States is yet to be developed. But it is to be hoped that none of the faithful men who have been directing the affairs of the two companies in this country will be affected otherwise than favorably by the transaction. Meanwhile, it seems, the other notable deal between great British fire offices is on, in spite of the professed disbelief of their American branch managers. We quote again from the *Post Magazine*, the fact being that negotiations for the amalgamation of the Imperial and the Alliance are in progress with every prospect of success. Here again, probably, the need of a strong man to pull the Imperial up to the line is the impelling motive of the movement, and he is to be found at the head of the Alliance. The combination of the Phœnix and Atlas will make a company with fire funds of about $8,800,000 (home statement) and that of the Imperial and Alliance with $11,500,000. By way of comparison it may be added that the home office fire funds of the Liverpool and London and Globe are $16,000,000 and of the Royal $17,300,000.

On June 27, 1901, Insurance Commissioner Giljohann, of Wisconsin, wrote a letter to the president of the Mutual Reserve Fund Life Association explaining why he had recently sought to examine it. The reasons which he gave were "the many complaints and requests for information concerning the financial standing of the Mutual Reserve," "the provisions of the recent by-laws adopted by the board of directors," "the delay in the payment of claims" and "the continued charges in the insurance journals against the officials," all of which rendered it necessary that there should be a "thorough" examination made. To show that he could not in conformity with his duty as insurance commissioner avoid making the examination Mr. Giljohann cited the following provision of the laws of Wisconsin:

> When the commissioner of insurance shall deem it expedient so to do, he shall in person, or by some one to be appointed by him for that purpose, examine into its affairs and conditions, and it shall be the duty of the corporation, its officers or agents to cause its books to be opened for inspection.
>
> If any such corporation shall violate or fail to comply with any provision of the law applicable thereto, * * it shall be the duty of the commissioner of insurance to revoke any and every authority of the company to transact business in the State.

The officers of the association having refused to open its books to inspection and to permit an examination of its affairs and conditions by the commissioner he had revoked its license on June 1 to do business in Wisconsin, and the license remained so revoked until September 18, when it was reissued. In the meanwhile no examination of the association had been made by the commissioner "in person or by some one *to be* appointed by him for that purpose," as by his own statement the law under the circumstances required. And the law likewise provides that no company "whose license is so revoked shall continue business until such overacts or violation shall have been corrected and the cost of such proceeding be paid by it, whereupon the commissioner shall reinstate the organization, and not until then shall it again do business in this State." The question now naturally arises, What has induced the commissioner to suddenly reverse his position and permit the association to re-enter his State? The only information we have on this point comes from a respected contemporary, and is to the effect that the commissioner has seen a report of an examination by Mr. Beehler, of the Iowa Department, and it has satisfied him that the association is all right. We must say that this appears to be one of the easiest conversions on record, for it is obvious that in the short time Mr. Beehler was in the office of the association—it took the New York Department force ten weeks in 1899 to make its examition—he could get only a superficial and perfunctory insight into its affairs and conditions, certainly one far short of what was wanted and insisted upon by the Wisconsin Department in June. The effect of Commissioner Giljohann's collapse will be to emphasize the impression that has been made upon the insurance community of the lowered tone of the department since the present incumbent has been at its head. Under his predecessor none in the country commanded more respect for efficiency and probity. It exerted a leading influence in the councils of the commissioners and the legislation of the State. This high distinction has not been maintained.

Facts and Opinions.

With the exception of the uniform blank no matter before the insurance commissioners' conventions has received greater attention than the "gain and loss exhibit." The opposition to it has been pronounced, but had its use been enforced in the States of Illinois, Massachusetts, Wisconsin and New York, the statements of the Mutual Reserve Fund Life Association to their insurance departments would not have shown the extraordinary disagreements as to disbursements which they do. In the statement of disbursements made to Wisconsin appears the item, "Insurance department fees and agents' licenses," $26,187.92. The Equitable Life reports the same item to the same department as $10,544.99. The annual license fee in the several States ranges from $25 to $300. Assuming that one-half of the Equitable's item went for department fees, there would be an average of about $100 paid to each State for that purpose. As the Mutual Reserve Fund transacts business in about twenty-five States, its payments at a similar rate would aggregate $2,500 for department fees. That would leave a balance of $23,687.92 to be expended for agents' licenses, which, at $2 per license, would have to account for 11,844 agents, an average of 473 for each of the twenty-five States. The Equitable Life is represented in every State and a number of foreign countries, and really has ten agents to every one of the Mutual Reserve Fund, and yet it reported $5,000 paid for agents' licenses. The Mutual Reserve Fund reports nearly $24,000. Perhaps Messrs. Giljohann and Beehler can explain the difference in these figures and estimate very closely how much of the Mutual Reserve Fund's excess goes for extra fees to insurance departments.

Upon a full conference with this Iowa official (Mr. M. Beehler), Insurance Commissioner Emil Giljohann, of Wisconsin, has accepted this report as entirely satisfactory in respect of the association's condition and management. Therefore, without the expense and the interruption of its business, incident to another and altogether needless examination, the Mutual Reserve Fund is reinstated in Wisconsin.—*Insurance.*

The Milwaukee *Sentinel* of September 22 contained the interesting announcement that Mr. C. E. Mabie had arrived in that city (Mr. Mabie is a vice-president of the Mutual Reserve

Fund Life Association, the Wisconsin license of which was revoked by Insurance Commissioner Giljohann a few months ago). On the same day Ex-Attorney General Mylrea, of Wisconsin, was registered at the Hotel Pfister, Milwaukee (Mr. Mylrea was the "intermediary" between Vice-President Mabie and the insurance commissioners of Minnesota and Wisconsin, in Chicago and New York in June, in an effort to avoid the examination of the association). The residence of Mr. Emil Giljohann is in Milwaukee (Mr. Giljohann is insurance commissioner of Wisconsin, and resides at Madison in that State). The Mutual Reserve Fund Life Association has been readmitted to Wisconsin.

THERE were more alleged raiders in town yesterday. It is reported that Deputy Commissioner Robert Hazelwood, accompanied by Clerk Charles Scott, of the Wisconsin Insurance Department, presented their credentials to Manager Schreiner, of the Munich Reinsurance Company, and stated that they were directed to ascertain if it had made an honest tax return to that State. If they suspect the Munich of crookedness, they probably have similar doubts concerning other companies domiciled in the East and doing business in Wisconsin, and have them listed for similar examinations (?). In view of this contingency it might be well for managers to read carefully the Wisconsin law regulating the incurring of expenses for examinations of companies by the department. It is as follows:

Section 1967—S. 98. Duties of Commissioner.—He shall conduct or cause to be conducted all examinations of the affairs of insurance corporations that are or may be required by law.

Section 1968—S. 98. Company to Pay Expenses of Examination.—It shall pay all reasonable expenses of and compensation for such examination *upon the certificate* and *requisition therefor of said commissioner*, which expenses *shall not exceed $5 per day during the time of the examination* and five cents per mile for traveling by the most direct route in going to and coming from the place where such examination took place; *but no corporation examined shall, either directly or indirectly, pay by way of gift, gratuity or otherwise any other or further sum to said commissioner or examiner for service * * on any other pretense whatever.* Any commissioner, examiner, officer, or any employee of any insurance company violating any provision of this section shall be guilty of a misdemeanor.

There are no Waldorf-Astoria swell dinners, theatre tickets or Brighton race track fun in this law.

THE reports received on this side from England, that the amalgamation of the Imperial and Alliance is contemplated, obtain apparent confirmation from the latest issue received of the London *Post Magazine*, which says:

Hitherto we have refrained from all reference to rumors which have long been current as to negotiations taking place for a fusion of the business of the Imperial insurance company and the Imperial Life insurance company with the Alliance Assurance Company, and while we have even now received no official confirmation of the truth of the rumor we feel justified, by the many references in the daily press, in expressing the opinion that an arrangement of the kind is within reasonable probability. Such an amalgamation would constitute an immensely powerful organization, considering the magnitude of the three companies and the great financial strength and connections of the Alliance, while the adoption of so striking a title as the Imperial-Alliance would seem to preserve the name of each. It will be remembered that some months ago we announced the retirement of Mr. E. Cozens Smith as from the close of the present year, so that circumstances not altogether dissimilar to those existing at the Phœnix office are probably having their full weight in the councils of the directors of the Imperial Fire office.

THE action of the Western Union in throwing off rates on the preferred classes in Iowa went into effect October 1. Some managers professed to believe that as a result rates on that business would eventually be reduced as much as 50 per cent., while others held that it would not amount to more than 20 per cent., in the belief that much of the business would be renewed at the present rate. This will be done if the local agents in the larger towns are able to hold together, as they are preparing to combine to refuse to write preferred business at less than the present rates, and to boycott any company that tries to force them to do so. Some of the companies are disposed to take the warpath and force the fighting as a war measure against the State and non-Union companies, which had taken practically all their preferred business away by shading the rates a little or paying excess commissions. Some more moderate companies are authorizing no more than a 33⅓ per cent. cut on the present rates.

AT the annual meeting last February of the grand lodge Ancient Order of United Workmen, held in Boston, a majority vote was polled in favor of a change from the local assessment of $1 on all members to the step-rate or classified system of assessments, but as a three-fourths vote was required and not obtained, the change was not put into effect in Massachusetts. But the Maine and Rhode Island lodges drew out of the Massachusetts jurisdiction, forming grand lodges of their own and adopting the classified plan. Since then the matter has been earnestly discussed by the factions pro and con in the Massachusetts grand lodge, and a meeting was called in Boston last Thursday for a settlement of the question, which affects Massachusetts, Connecticut and New Hampshire and one lodge in Vermont, comprising a membership of about 50,000, but in Connecticut already a majority of the lodges have declared in favor of the classified system. The Boston meeting wound up yesterday by adopting the step-rate plan by more than a three-quarters vote.

A BILL was filed in Chancery Court at Knoxville, Tenn., on Tuesday against the Mutual Reserve Fund Life by Major D. A. Carpenter, who asks for damages and also an attachment against any funds of the defendant company in that city. The attachment was granted temporarily attaching funds of the association in the City National Bank. The grounds of the suit are that Major Carpenter holds a policy for $5,000 dated in 1882, and he claims that the contract on which the policy was granted has been violated in many ways. He sets forth in the bill that while his assessments began at $8.40, they have constantly been increased until the last assessment was $48.90. He claims that he has paid since 1882 over $2,300 to the company, and that now it has sent in a claim for payment for $1,975 as the first payment on a reserve fund. Also that the company has arbitrarily proposed to charge him with this amount, to be considered as a lien, chargeable against his policy.

THE new governing committee of the Western Union, appointed by President De Camp this week, is as follows:

J. H. Brewster, of the Scottish Union; I. S Blackwelder, of the Niagara; Marshall & McElhone, of the Fireman's Fund; J. F. Downing, of the North America; J. A. Kelsey, of the Aachen and Munich; Eugene Cary, of the German-American; A. J. Harding, of the Springfield Fire and Marine; P. D. McGregor, of the Queen; J. J. Pursell, of the Sun; T. W. Eustis, of the Manchester, and Keeler & Gallagher, of the Ætna.

Messrs. Pursell, Eustis and Keeler & Gallagher are reappointments, and Messrs. Lenehan, of the Phenix; Law Brothers, of the Royal, and Cofran & Bissell, of the Hartford, retire. The chairmen of the other principal committees are: Arbitration, W. S. Warren; conference, W. J. Littlejohn; dissemination of information, John P. Hubble; grievance, J. S. Belden; large cities, Cofran & Bissell, and bulletin, I. S. Blackwelder.

THE latest details of the Phœnix-Atlas deal are contained in a cable despatch to the *Journal of Commerce* of last Saturday, which is as follows:

LONDON, September 28.—The directors of the Phœnix and Atlas assurance companies have fixed October 23 as the date upon which the shareholders of both companies will meet for the ratification of the amalgamation. The details of the plan will then be made public, but it is known that those controlling the stock will approve the scheme, so the meeting

is really only a legal formality. The life insurance business of the Atlas, it is arranged in the provisional agreement, will go to the Pelican Life, which will then be styled the Pelican and Atlas Life Office. The Phœnix and the Pelican Life have the same directors and are most intimately allied, which is evidenced across the water by the naming of the subsidiary company of the Phœnix in New York. The funds of the Pelican are about £1,400,000 and the life funds of the Atlas approximate £1,600,000. There is much curiosity here as to the rearrangement of the staff under Manager Pipkin when the two offices are amalgamated.

See also article from the *Post Magazine* in another column.

THE following is President George F. Seward's tribute to President James J. Batterson in the *Monthly Bulletin* of the Fidelity and Casualty Company:

An obituary notice taken from the *Evening Post* of this city is given in another column. We republish it to indicate the unique quality of the man. That he was versatile to a degree will be said by anyone who reads the notice. That his mind must have been quick, acute and capable of comprehensive labors will be said also. The notice, however, does not exhibit other qualities of the man. He was aggressive to a degree, yet tender as a child. If any man had ever tried to put Mr. Batterson, so to speak, in the thills of a go-cart and drive him, his failure would have been ludicrous. If Mr. Batterson ever turned a deaf ear to any kindly appeal the fact is probably not of record. But, as in the case of many another sympathetic man, his mind seemed to be like the surface of water, quick to give back its ripples and equally quick to lapse into smooth placidity. He wrought in stone all his life, but he was as free from the constraint of set forms as the sands of the desert that blow about the great pyramid.

ON the occasion of the fiftieth anniversary of the Berkshire Life insurance company a handsome loving cup was presented by the company to its oldest director, Mr. Thomas Green Carson, of Dalton, who has been continuously a member of the board for fifty years. He is the sole survivor of the original board of directors and is in his eighty-fourth year. Commenting upon this interesting event the Pittsfield *Sun* says:

It is interesting to note in this connection that the Berkshire Life insurance company in its fifty years of existence has received in premiums the sum of $32,335,726.09, and in interest $7,549,840.37. It has paid to policyholders $22,165,195.63, and its present assets are over $10,500,000. It has in force to-day 21,695 policies, amounting to $55,383,534. It is also worthy of note that during its entire career of fifty years no judgment has ever been rendered against the company on account of any policy claim or other obligation.

THE State Auditor of Arkansas, in a letter to the Little Rock general agents of the Southern insurance company of New Orleans, says of his recent examination of that company that "while it is true I found a slight impairment in its capital, yet it was not sufficient (it being considerably less than 20 per cent.) to affect its right to a continuance of business in this State, or to in any wise forfeit the confidence of the insuring public. I found the company's liability, besides its capital stock, confined to the unearned premiums and losses not due and in course of adjustment. Against this they had clean and readily convertible assets of $421,118.43, showing it perfectly solvent." He commends the company to the full confidence of the public.

THE trustees of the defunct Buckeye Mutual Company, of Shelby, Ohio, William M. Hahn, former insurance superintendent of Ohio, and Edward Mansfield, have filed a supplemental report with the clerk of the Supreme Court of that State. Their first report showed collections of $56,247, and disbursements of $53,672, nearly all paid in fees to the trustees and their attorneys. This aroused a great deal of dissatisfaction, but the supplemental report asks for $3,200 more for Hahn and $11,000 for Mansfield. This puts the trust in debt $18,000 to the trustees, while the creditors have received less than $5,000.

A BOOK of opinions about the Pacific Mutual Life insurance company has been published in handsome form by the company and contains 104 pages of facsimiles of letters written by the most eminent banks, bankers, Government officials, lawyers, clergymen, journalists, railroad magnates, physicians, fire underwriters, &c., praising the company and expressing confidence in its character and methods. It is interesting to note that the company has increased its assets and surplus about $1,000,000 by its recent sale of its industrial department to the Metropolitan Life.

THE two men of the Massachusetts Legislature who were most conspicuous at the last session of that body as sponsors of ill considered, if not malicious, bills regarding insurance have been defeated in the primaries this year. Anyone who has followed the course of Massachusetts legislation will recognize in the foregoing description Messrs. Jeremiah Watson and Francis J. Horgan, and their absence from the legislative halls this winter will be gratifying to the underwriting interests that are domiciled or represented in the old Bay State.

SUIT has been begun in the New York Supreme Court by Tarrant & Co. against the fire insurance companies having policies on their stock and machinery wrecked in the Tarrant explosion disaster of October 29, 1900. Agar, Ely & Fulton are the attorneys for Tarrant & Co. The defendants have twenty days in which to answer, and they have decided to fight the claim to the finish. The underwriters interested in the building loss paid the mortgagee and took subrogation.

THE Kansas Insurance Superintendent, in answer to the charge that his examiner had collected $320 for thirteen days' work, says that he was looking up nine different fraternal organizations, located in five different States, and that the actual time consumed in securing the necessary information was thirty working days. For this the examiner, Mr. Wheeler, was allowed $300, with $157 for traveling and hotel expenses, all of which was turned into the Kansas State Treasury.

IN our issue of September 21 we suggested that if the Mutual Reserve Fund Life Association should send its second vice-president to St. Paul and Madison the visits might turn out as successful as the one he made to Des Moines. We learn from Mr. Merriam, State Auditor of Iowa, that Vice-President Mabie did not have to go to Des Moines, but met Mr. Beehler, the examiner of the Iowa department, at Chicago. We cheerfully make the correction.

THE fire loss record in Boston for August shows the lowest aggregate of any month for many years, being reported by the protective department at $29,424. The greater part of this amount, namely, $8,944 on buildings, and $19,207 on contents, was covered by insurance. The Boston fire loss in August, 1900, was $121,379, or more than four times as much as in the corresponding month of this year.

THE attorneys for the Ætna hoped to have the order on Klayer, to furnish a bond to cover the costs in the numerous suits begun by him, entered in the court at Springfield, Ill., on Monday, but he was given a continuance of a week, in expectation of getting a decision from the Supreme Court of Illinois on his application for a ruling as to the requirement of a bond in such cases.

IN our new American city of Honolulu, Hawaii, a stock life insurance company to be known as the Oriental Life is being organized. The largest subscribers for shares are C. Winam and Eben Smith. But among the other subscribers are Wong Chow, Yung Leong, Wee Shing, Lin Shen Choy and Chuck Hoy, who are among the leading Chinese-Americans of Honolulu.

THE first number of the *American Fireman,* published and edited by Benjamin F. Hughes, 331 Walnut street, Philadelphia, has appeared. It has started modestly, the editor says, seeking rather merit in material and in typographical make-up than in magnitude, but its readers may be assured that in due time it will grow both in size and merit.

AT a meeting of the executive committee of the Boston Board of Fire Underwriters, held Thursday morning, it was voted to recommend to the board for adoption the lightning clause and the amended clause prohibiting the practice of burning off paint, adopted two weeks ago by the New England Insurance Exchange.

THE *Insurance Field* notices a meeting of Alabama policyholders of the Mutual Reserve Fund Life at Birmingham to protest against the first assessment (a second has been levied), and a committee was appointed to investigate its legality and take the matter to the New York State Insurance Department.

THE Des Moines fire insurance agents will hold a meeting today to form a rating bureau in defiance of the Iowa anti-compact law, holding that the decision of Judge McPherson at Council Bluffs shows that the law is unconstitutional.

MOST Western managers report September as being a very favorable month, some finding it the best month of the year so far. In Chicago the losses were very heavy during the last week, when there was a peculiar sequence of bad losses, but this did not affect the general showing materially.

THE fire marshal of Ohio is after Antonio Wolf, of Cincinnati, who has jumped his bail of $1,000, on which he was held on a charge of arson. He bought two old second-hand landaus for $32, and insured them for $1,500 in the Traders of Chicago, claiming to have paid $1,100 for them.

THE Boston representatives of the liability companies belonging to the conference dined together at the Exchange Club, Boston, last Tuesday, and discussed informally the team liability rates which have just gone into effect.

THE Safety Fund Life insurance company is being organized as a regular life company at Syracuse, N. Y., with $100,000 capital, by Charles F. Binkley, of Philadelphia, and John W. Hogan and James E. Ratchford, of Syracuse.

THE firm of I. Tanenbaum, Son & Co. has applied to the New York Fire Insurance Exchange for a broker's license and signed the required pledges, which is an indication of the cessation of hostilities.

MORE insurance capital has withdrawn from Missouri, the Southern of St. Louis, which has been conducting a general agency at St. Louis, having discontinued operations October 1.

THE American of Boston and Dutchess of Poughkeepsie are extending agencies in the State of Washington, and the former is to enter Montana, says the *Coast Review.*

THE Manchester has gone on the sole agency basis in Milwaukee, consolidating with Phillips & Rebhan, the agency formerly in the office of Benjamin F. Weil.

THE Massachusetts Insurance Department has been notified by the Salamandra that the impairment of its United States branch will be made up, as required.

Two new fire stations are to be added to the Boston department, and additional apparatus is to be provided for some of the existing stations.

THE London and Lancashire has secured control of the Quebec Fire insurance company, the oldest in Canada.

Personal

AGENCY APPOINTMENTS.

Berkshire Life: Max Grodnick, Cleveland, Ohio.

Boston Insurance Company: Charles G. Ackerman, special agent for the New York metropolitan and suburban departments.

Buffalo Commercial: Newburger & Salomon, managers for Cook County, Ill., transferred from George Herrmann & Co.

Canada Life: William C. Kennedy, special agent at Buffalo, N. Y.

Fireman's Fund: R. J. McIntyre, special agent for Wisconsin, with headquarters at Chicago, Ill. He will retain the Cook County agency.

Home Life of New York: Fred. S. Retan, general manager for Eastern New York, with headquarters at Albany.

Massachusetts Mutual Life: H. G. Colton, general agent for Oregon and Washington, with headquarters at Portland, Ore.

New York Plate Glass: Obrion & Russell, Boston, Mass., transferred from H. P. Bosson, who will have charge of the plate glass department of that firm.

Northern of London: Fred. C. Wright, Springfield, Mass.

Phœnix Mutual Life: M. C. Damon, Leominster, Mass.

St. Paul Fire and Marine: C. F. Sayles & Co., Indianapolis, Ind.

United States Casualty: James L. Hall, Fall River, Mass.; C. H. Earle, Taunton, Mass.

Messrs. J. M. Woolworth and W. D. McHugh, the Omaha attorneys, who carried through the litigation which resulted in the knocking out of the Nebraska anti-trust law in the United States District Court at Council Bluffs, last week, were in Chicago on Monday and were receiving the congratulations of the managers at the Union League Club.

Mr. W. J. Moran, formerly an examiner for Adolph Loeb & Son, of Chicago, has been appointed special agent for Ohio and Michigan of the companies in the Pellet & Hunter general agency of Chicago, taking the place made vacant by the recent resignation of H. A. Bartels.

Mr. W. D. Wyman, the new president of the National Association of Life Underwriters, is to make his first public appearance in that capacity at a banquet to be given by the Pittsburg Life Underwriters Association to-day. He hopes to stir them up along the line of organization.

Vice-President George H. Gaston, of the Metropolitan Life, will spend some time on the Pacific Coast organizing the company's industrial business, part of which it recently took over from the Pacific Mutual Life insurance company.

Mr. Edward Litchfield, the popular former United States manager of the Lancashire, who has been abroad since his resignation last year, is returning to the United States and is expected to arrive in New York next week.

Mr. M. Lewin Hewes, formerly secretary of the United Fire insurance company of Baltimore, has been appointed agency superintendent of the Southern Department of the Scottish Union and the Lion.

Mr. William Ralston Heath, a California special agent of the Commercial Union of London, died in California in September, after a brief illness from peritonitis, aged thirty-four years.

Messrs. Gutte & Frank, of San Francisco, have been appointed Pacific Coast general agents of the Reading Fire, which has just entered California for business.

Mr. Charles E. Dox, now Western manager of the Orient, has been appointed associate Western manager also of the London and Lancashire, with John R. Belden.

Mr. W. S. Thompson, president of the Riggs Fire insurance company of Washington, D. C., died there September 26, aged sixty-two years.

Mr. R. G. Leypoldt has been appointed superintendent of agencies of the Merchants of Newark.

Miscellany.

Death of Dr. J. S. Bloomingston.

Despatches from Chicago yesterday conveyed the painful intelligence that Dr. John S. Bloomingston, proprietor and editor of *The Investigator,* of that city, died there on Thursday after a short illness from pneumonia and heart disease. Dr. Bloomingston was at Buffalo just a week ago, in attendance upon the insurance commissioners' convention and visiting the Pan-Amer-

ican Exposition, and was in excellent spirits and apparently in excellent health. He was in his most genial holiday mood and gave much pleasure to his associates in his intercourse with them. His death will be sincerely mourned by many friends throughout the country.

Dr. Bloomingston was a native of Switzerland, and was brought to this country by his parents when a child. His academic education was received in Canada, but he studied medicine in Chicago, and graduated from Rush Medical College in 1870. He was a practicing physician in Chicago for some years and also engaged in the drug business. In June, 1874, he began the publication of the *Investigator* in connection with a partner, but before the end of that year became the sole owner and so continued to the present time. He studied law at Northwestern University later in life, and was admitted to the bar of Chicago, but his chief concern was the management of his weekly insurance paper, in whose business interest he was a frequent visitor to the various insurance centres. The doctor was a member of numerous social and literary clubs and associations in Chicago, a trustee of the Illinois College of Law, a member of the Chicago Medical Society and the Chicago Medical Examiners' Association, and a thirty-second degree Mason. He leaves two sons, J. Albert, who has a responsible position with the London Accident and Guarantee Company in Chicago, and Bert, who was with his father on the *Investigator* and will probably succeed him in the business. Dr. Bloomingston was fifty-eight years old in April last.

Report on the Examination of the Provident Savings Life Assurance Society by the Tennessee and Texas Insurance Departments.

A joint examination has been in progress for some time of the Provident Savings Life Assurance Society by the insurance departments of Tennessee and Texas. It has been conducted by Walter C. Wright, actuary, assisted by Examiners Cain, Lightfoot and Lipscomb, of the Tennessee department, and Thweatt and Dodge, of the Texas department. A report to Commissioners Folk, of Tennessee, and Johnson, of Texas, has been made by Mr. Wright, and Examiner Cain has made a separate report to Commissioner Folk. Below we reproduce both:

REPORT OF ACTUARY WRIGHT.

I herewith present exhibits of the financial standing of the Provident Savings Life Assurance Society of New York, at the close of business, June 29, 1901, and statements of the receipts and disbursements of the society for the six months ending at that time, prepared in the same form and detail as the annual statements made by the society to the insurance departments which you represent.

It may be seen that the total assets and liabilities of the society at the close of business on Saturday, June 29, were as follows:

Assets	$4,050,568.19
Liabilities	3,699,597.50
Surplus	$350,970.69

This work has been conducted in pursuance of the examining authority separately given me by you, but, excepting for a short time previous to the arrival of the Texas examiners, as a common or joint examination for the two departments, in which I have been efficiently assisted by Examiners Walter Cain, Jones H. Lightfoot and Granville Lipscomb, of the Tennessee, and A. S. Thweatt and H. W. Dodge, Jr., of the Texas departments.

In accordance with your directions, the examination has not been confined to the preparation of these statements, but has embraced the verification of the reports of the society to your departments for the year ending December 31, 1900, excepting the actuarial work, which is sufficiently checked by my valuation for June 29, and has also covered some examination of the earlier accounts of the society, and has been made as complete and exhaustive as possible. Care has been taken to determine the value of all real estate owned by the society according to conservative rules of appraisal, and a comparison of each premium note or policy lien with the reserve value of the policy has been made. In the case of property owned by the society on June 29 last, but sold while this examination was in progress, the net price obtained has been taken as the value on that date.

As the result of the comparison of notes held with the net reserves of the policies to which they apply, we have found excesses amounting to $50,122.60, which should not have been allowed to arise, and which can and I am assured will be promptly extinguished. I understand that the excess is due to the inaccurate calculations of a former actuary of the society.

A valuation of all the policies of the society outstanding on June 29, according to the combined experience table of mortality and 4 per cent. interest, has been made, and regarding the mode of treating the policies of the society in this valuation, I would remark that I have unhesitatingly followed the suggestion of Commissioner Folk that "in the construction and valuation of their first year term contract," I shall "be governed by the decision of the Supreme Court of the State of Vermont." This is because, irrespective of that decision, and having regard solely to the principle of net valuation, the treatment of these policies has presented no exceptional or doubtful problem to my mind.

Neither the law of Vermont, as interpreted by the aforesaid decision; the law of Massachusetts, on which other laws are based, nor my knowledge of the intention of Elizur Wright, who influenced its passage and was the first prominent advocate in this country of net valuations as opposed to the inconsistent and erroneous, but so-called gross valuation method which he then condemned, introduces any complication or new conditions into the question as I understand it. The above named laws simply prescribe that a *net* valuation shall be made *according to stated assumptions of mortality and interest*, and take for granted that the differences of the things, or policies, which may be the subject of valuation shall be determined according to their expressed and intended terms. This is sufficient.

There is no uncertainty in the expressed terms of these contracts of the Provident Savings Society respecting the obligations which they impose on the company, and it is these, and the prescribed number and frequency or dates of premium payments, considered with reference to the stipulated assumptions of mortality and interest, which properly guide the action of an actuary in determining the net value of any policy. Even in the case of a so-called return premium policy, he needs to take cognizance of the amount of the gross premiums only as a measure of the amount of the risks to be carried, when making a net valuation.

He must not otherwise regard the amount of the gross or actual premiums, because it is the adequacy of their amount as reserved and accumulated at interest which it is the specific object of his valuation to independently test. He must determine the amount of the net premiums which he may employ in his work independently of the actual premiums from the data in the first sentence of this paragraph, neglecting none of them.

There is no limit or exception to the varieties of policy terms to which a net valuation is applicable. A policy of fixed amount may furnish natural premium of pure insurance for any specified number of years, to be followed by continuous level annual premium whole life insurance, or level premium endowment, or temporary insurance; or it may stipulate for a certain period of temporary insurance, followed by or renewable for another equal or different period of like insurance, &c., and the actuary's course will be equally clear and plain in each case, and the result of his valuation equally safe and reliable when correctly made.

If, in exercising their freedom to fix the amount of the premiums to be collected, and the terms for their collection, the company does not provide adequate means at all times for covering the legal values or reserve found to be required by the actuary, the deficiency will be sure to be exposed by his work. The Provident Savings Society has not failed in this respect.

The distinction between correct gross and net valuations consists in the fact that the former take cognizance of provision and allowance for expenses, mortality and interest, and the latter exclusively deal with the last two considerations. Thus, a net valuation, though universally applicable and scientific as far as it goes, as Elizur Wright demonstrated many years ago, is not adapted to properly govern and restrain a company from making inconsistent or excessive premium charges on any score. The true remedy for, or preventive of such possible overcharge or extortion, is to make it incumbent on every company to be governed by sufficient, consistent and proportionate assumptions of allowance for expense, mortality and interest, all three, in deciding their actual reserve, and actual or gross premium charges. The scientific way to deal with this problem has been found, and only needs to be practically applied, voluntarily or by legal requirement, to do away with any possible theoretical or practical

objections to the writing of initial term insurance policies like those of the Provident Savings Life Assurance Society.

Some actuaries who have discussed this question seem to have forgotten the familiar description of the net value of a policy as being that sum which according to fixed assumptions of mortality and interest will supply the *deficiency* of future net premiums receivable according to its terms. No net reserve needs to be held in advance to cover the risk for any portion of the future duration of any policy which the net premiums receivable during that period will fully recover.

The deductions from outstanding new and renewal premiums, in the statements submitted by me, represent the net average percentage of new and renewal commissions allowed to agents; and if the entire compensation of agents could be confined to this seemingly ample allowance or its equivalent in other forms, the society would be able to accumulate nearly $300,000 per annum more surplus than is now the case, and it is a fair question whether the genuine and superior attractiveness to applicants for insurance thus secured would not go far to make the actual income of all deserving agents quite as great as it is now. This remark would apply equally well to the agency expenses of other companies, which, owing to their greater magnitude, stand less in need of high expenditures for development than the Provident Savings.

The vitality gain realized during the period of six months covered by this examination was 20 per cent., and indicates that the society has a healthy membership, and can hope for the accumulation of a large sum of surplus annually, as a rule, from this source alone, and the investments generally are of excellent character, whence nothing but failure to keep the office and agency expenses within economical limits would appear to stand in the way of their abundant future success.

Advances to agents especially should be avoided as much as possible.

There is no question as to the present solvency of the society.

The surplus which appears by the accompanying statements is determined on a strictly conservative basis. Owing to the indefatigable energy of the management, the society enjoys a widespread and well established representation throughout this country and Canada, and needs little further organizing expense or outlay to be ready for effective harvesting work throughout this wide field.

All necessary facilities have been furnished me and my assistants by the officers of the society, and much generous aid in the prosecution of this examination. Respectfully submitted,

(Signed) WALTER C. WRIGHT,
Examining Actuary.

REPORT OF EXAMINER CAIN.

NASHVILLE, September 27, 1901.

Hon. Reau E. Folk, Insurance Commissioner:

SIR—I beg to report that I have completed the examination of the Provident Savings Life Assurance Society of New York, as per your instructions. The examination, covering a period of seven weeks, was made as of June 29, 1901, and was of a most thorough and searching character. It shows the condition of the corporation on that date to be as follows:

Assets		$4,050,568.19
Reserve for policy-holders	$3,524,121.35	
All other liabilities	175,476.15	
Total		3,699,597.50
Surplus		$350,970.69

The last annual statement of the company has been verified and brought down to June 29, 1901. There have been marked off from the assets sums aggregating $110,000, which was done with the view of meeting any shrinkage. All of the assets of the company have been carefully appraised and extended at a conservative figure. The loans on bond and mortgage are found to have been placed judiciously, and the appraisals of the mortgaged premises show ample margins of security.

The stocks and bonds are of high grade and show a substantial profit over cost. The value of the real estate has been determined by thoroughly qualified appraisers appointed by your department. The company's accounts are correctly and concisely kept and its system of checking them is admirably adapted to insure accuracy. Since December 31 last—the date of the society's last report—they have added $287,000 to their reserve fund.

Every assistance to facilitate the examination has been rendered by the officers, and all requests for books and papers have been promptly complied with. The company's business is conducted along safe and economical lines. Its management has been aggressive and devoted to the building up of a larger business and income, which has been successfully accomplished. All of its liabilities are promptly met, and no due and approved death claim remains unpaid.

The result of the examination shows the company to be in a sound, healthy and prosperous condition.

Respectfully submitted, WALTER CAIN,
Chief Examiner.

The London Post Magazine on the Amalgamation of the Phœnix and Atlas.

(*Post Magazine, September* 21.)

In view of the persistent and somewhat varying statements that have appeared in the public prints of this country and of the United States, respecting the amalgamation of the Atlas Assurance Company and the Phœnix Fire Office, we have taken some pains to ascertain the truth about the matter. And, although we can obtain no official confirmation or contradiction of what we have learned, we have reason to believe that the following may be relied upon as being the truth, if not the whole truth.

When the late Mr. Frank Macdonald died, some few months back, the secretaryship of the Phœnix Fire Office became vacant. The directors, apparently impressed with the fact that their company had not of late been doing so well as some of the other large fire insurance offices, determined to secure the services of a manager with modern training, a successful record and of acknowledged position in the business. We have reason to think that several names were placed before them, and on their first overtures failing they turned to the general manager of the Atlas, who seemed to possess the qualifications enumerated above. We believe this gentleman's name was given them without any knowledge on his part, and that he at once signified he was not open to look at any offer from the Phœnix. However, he was formally approached, and declined the honor. Mr. Pipkin intimated that he could not leave the Atlas, with which he had been connected so long, and where his insurance career commenced.

Necessity is the mother of invention, and the necessity of the Phœnix appears to have suggested a way of securing this gentleman's services without the Atlas losing them. By amalgamating the two companies, and transferring the Atlas Life Department to the Pelican Life Office—the sister company of the Phœnix Fire, but entirely separate—it seemed possible to supply the want of the Phœnix, while avoiding loss to the Atlas, thus making of the two old, powerful and respected institutions one combined concern of great influence and promise. We expect that in a few days some formal announcement may be looked for, which will show these statements to be in the main correct, although at present only rumors of the street, the club and the exchange. If this be so, then we suspect there will be a general recognition of the wisdom of the proposal, and of the improved prospects of the life policy-holders of the Atlas and of the shareholders of both companies.

The combined capital, funds and premium incomes of the two companies will show such strength and possibilities that the amalgamated Phœnix and Atlas in the hands of a manager who has been successful may be expected to reach a position of strength, prosperity and honor that neither company could separately attain. The best wishes and confidence of everyone in the business will be given to the amalgamated company and its general manager.

Mr. Pipkin's record at the Atlas is too well known to need more than the passing remark that when he took the helm in 1884 its shares stood at 13½, its fire income at £96,000, its fire reserves at under £200,000 and its dividend at 16s. per share. Its shares now stand at more than double their price seventeen years ago, its fire income has been more than quadrupled, its reserves are two and one-half times as much, and its dividend has been increased 50 per cent. Of course it is unreasonable to look for any such results as these from his managership of the amalgamated Phœnix and Atlas, but that there will be a marked improvement no one doubts and all hope. Mr. Pipkin, being chairman of the London Salvage Corps, will restore to the Phœnix the prestige of having as its chief the occupant of that honorable position, Mr. G. W. Lovell, a former secretary of the Phœnix, having been the first chairman. We have learned nothing as to the basis of the amalgamation. But we feel certain that the Atlas directors will never allow the name of their grand old company to disappear, nor the interests of their shareholders, life policy-holders, agents or staff to be jeopardized. In-

deed, we shall be surprised if the amalgamation does not involve an absolute fusion of capital, funds, boards, staffs and agencies of the two companies. No other course seems to us possible or likely to be sanctioned by the shareholders of two old and prosperous companies, each of which is sound and respected, and whose combined influence and strength will be greatly enhanced.

Mr. Batterson's Versatility.

(*The Hartford Times.*)

In its very readable notice of Mr. Batterson the New York *Sun* said: "It is likely enough that few persons here have ever heard of this splendid old man." As Mr. Batterson carried on a very large granite and marble business in New York for nearly half a century, with an extensive establishment for many years within a block of the Fifth Avenue Hotel, and as his duties as president of the Travelers insurance company not only required him to be much in New York, but made him known to a great number of bankers and insurance men there, it would be more accurate to say that there are few men in the country, not actual residents of New York, who are better known there than he was. The art dealers knew him, the artists knew him, the booksellers knew him, the leading engineers knew him, many lawyers and politicians knew him, and if the reporters didn't know him they didn't know one of the best known patrons of the Fifth Avenue Hotel for a great many years. And this leads up to an amusing story of an incident such as could be told of few other men in the world, or who ever lived in it.

Sitting before a comfortable fire in the grate of the Fifth Avenue's parlor one evening some years ago, Mr. Batterson was an involuntary listener to a conversation between two young Englishmen. They had been in India, serving as officers of an English regiment. They had sold their commissions (it was before the abolition of "purchase") and were on their way back to their native land. They had been seeing some of the sights of New York, and they were commenting to each other on what they had seen, with a good deal of that fine scorn which was formerly more characteristic of the British gentleman abroad than it is to-day. They had crossed the Brooklyn bridge, and they had no hesitation in declaring that its towers were inadequate and would eventually tumble down. In a similar spirit they criticised the elevated railroads, and everything else they had seen in their tour of the city. In the course of their talk one of them made use of a Greek quotation, referring back at the same time to their school days at Eton. This was Mr. Batterson's opportunity. The Englishman had tripped in his Greek. As he was sitting very near to them Mr. Batterson did not have to raise his voice at all. In a tone that was full of benignity he inquired if he had heard the young man who quoted from the Greek say that he had been at Eton, and upon receiving an affirmative answer, said that it had surprised him a little to hear an Eton boy scan his Greek defectively. He then repeated the Greek lines as they should be spoken, whereupon the other English youth remarked that Mr. Batterson was right, which plainly left no opportunity for a controversy.

Then Mr. Batterson went on very gently and kindly, speaking as an elderly man to men much younger than himself, to show them how erroneous were their observations about pretty much everything they had seen in New York. Referring to the Brooklyn bridge, he told them that he knew something about the strength of the towers, because he had helped to build them. The Englishmen attempted to argue with him on this, and one of them brought in the name of Brunel, the famous English engineer, in connection with the problems of bridge construction; he was dumfounded when the gentleman from Hartford with whom he was talking disclosed the fact that he had personally known Brunel, and had gone over that very question with him. In this manner the conversation proceeded until one of the Britishers, unable longer to hide his astonishment and curiosity, suddenly inquired, "Will you please tell me who you are?" "Oh, I'm a stonecutter," replied Mr. Batterson in the quietest way and with perhaps a barely perceptible chuckle. "Stonecutter be d—d," said the crestfallen youth, thinking that he was being guyed, "now will you come to our rooms and have some champagne with us?" They wouldn't take no for an answer, for they were really very nice young English gentlemen, and they felt that the only proper and possible thing for them to do, under the circumstances,

(*Continued on page 209.*)

Life Insurance Payments.

The following is a report of the life insurance companies doing business in the United States to THE WEEKLY UNDERWRITER of the death claims and endowments paid by them during the month of August, 1901:

COMPANIES.	Death Claims.	Endowments.	Total Payments.
Ætna Life	$159,247	$99,601	$258,848
Connecticut General Life	4,061	4,500	8,561
Connecticut Mutual Life	333,703	32,254	365,957
Equitable Life, Des Moines	26 260	.....	26,260
Equitable Life, New York	1,029,898	94,702	1,124,600
Germania Life	49,078	23,134	72,212
Home Life	55,706	21,274	76,980
*John Hancock Mutual Life	202,157	1,000	203,157
Manhattan Life	113,463	725	114,188
Maryland Life	5,181	1,500	6,681
Massachusetts Mutual Life	109,922	13,691	123,613
*Metropolitan Life	832,970	.....	832,970
Michigan Mutual Life	46,393	24,353	70,746
Mutual Benefit Life	327,784	48,365	376,149
Mutual Life, Louisville	2,315	.....	2,315
Mutual Life, New York,	1,619,583	259,570	1,879,553
National Life, U. S. A.	6,908	.....	6,908
National Life, Montpelier	59,109	7,000	66,109
Nederlands Life, U. S. Branch	.....	.....	.....
New York Life	1,065,899	.....	1,065,899
Northwestern Mutual Life	386.950	105,013	491,963
Pacific Mutual Life	43,942	6,506	50,448
Penn Mutual Life	263.170	36,999	300,169
Phœnix Mutual Life	60,439	3,292	63,731
Provident Life and Trust, Phila	78,688	82,721	161,409
Provident Savings Life, New York	68,500	1,000	69,500
†Prudential, Newark	548,037	4,193	552,230
State Mutual Life	47,218	28,139	75,357
Travelers	108,103	8,396	116,499
Union Central Life	50,600	14,792	65.392
Union Mutual Life	52,465	8,551	61,016
United States Life	49,920	96	50,016
Washington Life	104,816	43,155	147,971
Totals	$7,912,485	$974,522	$8,887,007

* Partially industrial insurance. † Principally industrial insurance.

Payments Since Organization.

The following table shows the total amount reported paid on death claims and endowments, from their organization to August 31, 1901, inclusive, by the life insurance companies whose monthly lists are printed in THE WEEKLY UNDERWRITER:

Date of Organization.	COMPANIES.	Death Claims.	Endowments.	Total Payments.
1850	Ætna Life	$53,318,575	$23,118,673	$76,437,248
1865	Connecticut General Life	2,764,674	835,417	3,600,091
1846	Connecticut Mutual Life	108,870,580	15,341,682	124,212,262
1867	Equitable Life, Des Moines	770,320	225,144	995,464
1859	Equitable Life, New York	196,211,950	21,334,949	217,546,899
1860	Germania Life	25,002,526	7,941,978	32,944,504
1860	Home Life	11,688,208	2,670,432	14,358,640
1862	*John Hancock Mutual Life	23,167.529	1,864,084	25,031,613
1850	Manhattan Life	29,329,392	2,967,697	32,297,089
1864	Maryland Life	2,442.310	181,259	2,623,569
1851	Massachusetts Mutual Life	21,396,396	3,545.312	24,941,708
1867	*Metropolitan Life	92,833,365	553,716	93,387,081
1867	Michigan Mutual Life	4,933,618	2,886.607	7,820,225
1845	Mutual Benefit Life	93,606,295	8,685.445	102,291,740
1866	Mutual Life, Louisville	3,561,923	295,932	3,857,855
1843	Mutual Life, New York	1,619,583	259 570	1,879,153
1868	National Life, U. S. A.	4,326,914	343,772	4,670,686
1850	National Life, Montpelier	10,534,370	1,236,676	11,771,046
1893	Nederlands Life (U. S. Branch)	992,560	.....	992,560
1845	New York Life	158,954,879	10,608,596	169,563,475
1857	Northwestern Mutual Life	58,822,128	14,373,182	73,195.310
1868	Pacific Mutual Life	4,675,473	1,125.722	5,801,195
1847	Penn Mutual Life	29 348,823	4,647,370	33,996,193
1851	Phœnix Mutual	22,234,837	4,679,385	26,914,222
1865	Provident Life and Trust, Phila	16,253,170	9,155.177	25,408,347
1875	Provident Savings Life, N. Y.	14.839,175	6,805	14.845.980
1876	† Prudential, Newark	51,436,886	64.474	51,501,360
1845	State Mutual Life	9.736.745	1,993,237	11.729,982
1866	Travelers	12,976,602	4,879,672	17,856,274
1867	Union Central Life	9,682,967	2,192,245	11,875,212
1849	Union Mutual Life	16,179,568	5,442,839	21,622,407
1850	United States Life	14,193.175	1,804,544	15,997,719
1860	Washington Life	17,678,192	6,008,134	23,686,326
	Totals	$1,124,383,708	$161,269,727	$1,285,653,435

* Partially industrial insurance. † Principally industrial insurance.

(*Continued from page 208.*)

was to entertain a man who plainly knew more than any person they had ever met anywhere in the world. And so they lugged the "stonecutter" upstairs, and discovered that he knew a few things about good wine, in addition to all they had learned from him about Greek poetry, suspension bridges and all the other subjects they had talked about.

Scottish Union & National Ins. Co.

ESTABLISHED 1824.

No. 35 St. Andrew Square, Edinburgh, Scotland.
No. 3 King William Street, E. C., London.

United States Branch: Hartford, Conn.

National Life Insurance Company of Vermont.

J. C. HOUGHTON, President.
JOS. A. DE BOER, Vice-President.
O. D. CLARK, Secretary.

THIS COMPANY HAS GAINED IN THE LAST DECADE,

In Assets, . . . $12,275,109.34, or 160.96 per cent.
In surplus, . . . 1,089,332.69, or 119.47 per cent.
In insurance, . . 48,102,491.00, or 93.64 per cent.

Sells the Most Modern, Profit-Sharing, Non-Forfeitable Contracts of Life, Term, Endowment and Annuity Insurance. Correspondence from interested parties promptly recognized. Good agency contracts for reliable men.

J. F. MAKLEY, General Manager,
149 Broadway, New York.

The Union Central Life Ins. Co.,

CINCINNATI, OHIO.

Assets, January 1, 1901, ... $26,440,297.28
Surplus, ... 3,693,343 46

No Fluctuating Securities. Largest Rate of Interest. Lowest Death Rate.
Endowments at Life Rates and Twenty Payment Guaranty Policies Specialties.
Large and increasing Dividends to Policy-holders. DESIRABLE CONTRACTS and GOOD TERRITORY open for LIVE Agents.
Address JOHN M. PATTISON, President.

THERE ARE FEATURES IN THE FIFTY-THIRD ANNUAL REPORT OF

The Penn Mutual Life Insurance Company

Of interest to all engaged in life insurance work.
A copy on request.

THE PENN MUTUAL LIFE INSURANCE COMPANY,
921-925 CHESTNUT STREET, - PHILADELPHIA.

Head Office for the United States:

57 and 59

William Street,

NEW YORK.

A. G. McIlwaine, Jr., Manager.

Phœnix Mutual Life Insurance Co.

OF HARTFORD, CONN.

ORGANIZED IN 1851.

Assets, January 1, 1901.... .... $13,278,711.73
Surplus at Four per cent..... 564,656.73

Total Paid Policy-holders over
—$42,500,000—

ACTIVE AND INTELLIGENT MEN WANTED AS AGENTS, with whom liberal contracts will be made. Desirable territory now open.
The new plans of the Company are brief, clear and liberal. Life and Endowment Policies have endorsed upon them definite cash, loan, and paid-up values, and in case of lapse, insurance is extended without action on the part of the insured.

J. B. BUNCE, President. J. M. HOLCOMBE, Vice-President.
C. H. LAWRENCE, Secretary.
NEW YORK OFFICE: WEED & KENNEDY, Managers, 149 Broadway.

1825. THE 1901.

Pennsylvania Fire Insurance Co.

OF PHILADELPHIA.

Cash Capital, ... $400,000.00
Re-insurance and all Liabilities, ... 2,771,038.56
Surplus, ... 2,163,883.97
Total January 1, 1901, ... $5,334,922.53

R. DALE BENSON, Prest. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Prest. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

National Fire Insurance Company,

HARTFORD, CONN.

JAMES NICHOLS, President. B. R. STILLMAN, Secretary.
H. A. SMITH, Assistant Secretary.
HEAD OFFICE, 95 Pearl Street, Hartford, Conn.

WESTERN DEPARTMENT.
FRED. S. JAMES, General Agent.
G. W. BLOSSOM, Asst. Gen'l Agent.
Office, 174 La Salle St., Chicago.

PACIFIC DEPARTMENT.
GEO. D. DORNIN, - Manager.
GEO. W. DORNIN, Asst. Manager.
Office, 409 California St., San Fran.

HANOVER

Agencies in all the Principal Places in the United States.

Fire Insurance Company OF NEW YORK.

London Assurance Corporation,

CHARTERED A. D. 1720.

SURPLUS IN U. S. JAN. 1, 1901, $838,698.68

CHAS. LYMAN CASE, Manager.
4 PINE STREET, - - - - - NEW YORK.

PHENIX INSURANCE COMPANY,

OF BROOKLYN, N. Y.

NEW YORK OFFICE:
47 CEDAR ST.

1846—1901.

THE CONNECTICUT MUTUAL LIFE

Insurance Company.

WHERE THE CONNECTICUT MUTUAL STANDS.

During all the long struggle out of which this situation has developed, and amid the many schemes devised to attract public attention and favor to something else than life insurance, the attitude and position of the Connecticut Mutual have never been doubtful.

It has held to the cardinal facts: Life insurance is for the protection of those dependent on a man's life; their dependence makes it his unavoidable duty. Those dependents we assume to protect by our contract, at his personal cost; our duty to them is to make that protection as large, as secure, and as certainly available to them as possible; our duty to him is to make its cost to him as small as possible.

JACOB L. GREENE, President. **HERBERT H. WHITE, Secretary.**
JOHN M. TAYLOR, Vice-President. **DANIEL H. WELLS, Actuary.**

The Metropolitan Life Insurance Co.

(INCORPORATED BY THE STATE OF NEW YORK.)

"The Leading Industrial Insurance Company of America,"

IS REPRESENTED IN ALL THE PRINCIPAL CITIES OF THE UNITED STATES AND IN CANADA. THE PAYMENT OF OVER 250 DEATH CLAIMS DAILY TELLS OF THE GOOD IT DOES. INSURANCE IN FORCE OF OVER $900,000,000 ATTESTS ITS GREATNESS AND FAVOR WITH THE PUBLIC.

Permanent, Profitable and Progressive Employment.

AGENTS WANTED—Any honest, capable, industrious man, who is willing to begin at the bottom and acquire a complete knowledge of the details of the business by diligent study and practical experience can, by demonstrating his capacity, establish his claim to the highest position in the field. It is within his certain reach. The opportunities for merited advancement are unlimited. All needed explanations will be furnished upon application to the company's superintendents in any of the principal cities, or to the Home Office, No. 1 Madison Avenue, New York City.

JOHN R. HEGEMAN, President.

HALEY FISKE, Vice-President. GEORGE H. GASTON, Second Vice-President. GEORGE B. WOODWARD, Secretary. J. J. THOMPSON, Cashier and Assistant Secretary. JAMES M. CRAIG, Actuary. JAMES S. ROBERTS, Assistant Secretary. STEWART L. WOODFORD, Counsel. THOS. H. WILLARD, Medical Director. A. S. KNIGHT, Assistant Medical Director.

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.

FOUNDED 1792.

Assets, January 1, 1901		$9,583,791
LIABILITIES—Reserved for Reinsurance and all other claims	$4,805,254	
Capital Stock	3,000,000	
Surplus over all Liabilities	1,778,537	$9,583,791

Agents in all the principal towns and cities.

CHARLES PLATT, President. EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. BENJAMIN RUSH, Second Vice-President.
T. HOUARD WRIGHT, Marine Secretary. JOHN B. ATWOOD, Assistant Secretary.

Offices in New York: Fire, William and Pine Sts.; Marine, 63 Wall St.

ÆTNA

LIFE INSURANCE CO.

MORGAN G. BULKELEY, PRESIDENT

Largest Company in the World doing Life, Accident and Health business

ASSETS, OVER . . . $56,000,000.

MOWRY and PATTERSON, Managers Life Department.
GEORGE C. STERLING, Manager Accident Department.

Continental Building, 46 Cedar Street, NEW YORK CITY.

The Agricultural Insurance Company of Watertown, N. Y.

ESTABLISHED 1853.

Assets, January 1, 1901	$2,283,558.42
Total Liabilities, except Capital	$1,240,017.87
Joint Stock Capital	500,000.00

Personal Accident. **Plate Glass Insurance.**

ATTENTION, AGENTS and BROKERS!

The Central of Pittsburg, Pa.,

is the best company for the **Customer**, the **Broker** or the **Agent**. In the above lines of insurance it sells the **Best Policies**. Call on or address

Central Accident Insurance Company, Pittsburg, Pa.

Chartered 1866. 35 Years Successful Business.

The Hartford Life Insurance Co.,

HARTFORD, CONN.

Every desirable form of up-to-date contract is issued by this old and sterling company.

All rates and values guaranteed in the contract.

Over $20,000,000 Paid in Benefits.

Ratio of Assets to Liabilities, $139 to $100.

GEO. E. KEENEY, President. CHAS. H. BACALL, Secretary.

INCORPORATED 1851.

The Berkshire Life Insurance Co.

OF PITTSFIELD, Mass.

All Policies issued by the Company are subject to the Massachusetts Non-Forfeiture Law.

WM. R. PLUNKETT, President.

JAS. M. BARKER, Vice-Pres. JAS. W. HULL, Sec'y and Treas.

Agencies in all the principal cities of the United States.

Caledonian Ins. Co.,

FOUNDED 1805. of Scotland.

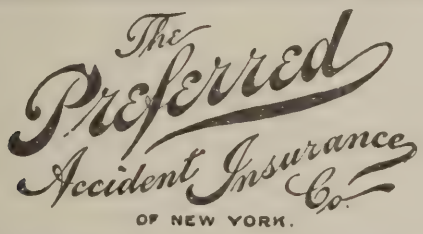
"The Oldest Scottish Insurance Office."

United States Head Office, 27-29 Pine Street, New York City.

STATEMENT JANUARY 1, 1901.

Assets	$1,910,617.66
Liabilities	1,101,382.62
Net Surplus in the United States	$809,235.04

CHARLES H. POST, U. S. Mgr. N. A. McNEIL, Ass't U. S. Mgr.



Accident Policies. Health Policies.

Large Benefits, Low Rates, Best Commissions.

December 31, 1899:

Assets,	$779,385.45
Surplus,	365,124.30

KIMBALL C. ATWOOD, Sec'y, 290 Broadway, NEW YORK.

Provident Life and Trust Co.

OF PHILADELPHIA.

The best in Life Insurance is likely to be the cheapest. The same fidelity, skill and care which are necessary to guarantee the future security of a company result in the lowest cost. A good test, therefore, is to determine whether the organization and the surroundings of a company exclude all doubt as to future security. In determining this the question of cost is determined also. **THE PROVIDENT LIFE AND TRUST COMPANY** invites inquiry as to its organization and the provisions for safety afforded. For the full period of its existence the death rate has been only .614 of the rate indicated by the authoritative tables.

State Mutual Life Assurance Co.,

OF WORCESTER, MASS.

A. G. BULLOCK, President.

Incorporated 1844.

Issues policies, incontestable after two years, protected by the Non-Forfeiture Law of Massachusetts. Yearly dividends.

Assets	$17,754,046
Liabilities	15,889,512
Surplus January 1, 1901	$1,864,534

C. W. ANDERSON, General Agent, 189 BROADWAY, NEW YORK.

Commercial Union Assurance Co.

LIMITED,

OF LONDON.

OFFICE:

Cor. Pine & William Sts., New York.

Instituted in Reign of Queen Anne, A. D. 1714.

Union Assurance Society of London

No Overhead Writing

No Dual Agencies.

Loyalty to Local Agents.

United States Offices: Society's Building,

5 Pine Street, New York, ... Hall & Henshaw, Managers
171 La Salle Street, Chicago, ... Hall & Henshaw, Managers
35 Kilby Street, Boston, . . . Hall, Henshaw & Gilmour, Managers
English-American Building, Atlanta, Ga., . George N. Hurt, Manager
Mining Exchange Building, Denver, Col., Gerald L. Schuyler, Manager

AGENTS IN ALL THE PRINCIPAL TOWNS AND CITIES.

Statement of United States Branch,

JANUARY 1, 1901.

Assets, held in the U. S. for the special protection of its American Policy-holders.	$7,187,715.01
Liabilities,	4,703,671.36
Net Surplus,	$2,484,043.65

AGENCIES IN ALL THE PRINCIPAL CITIES, TOWNS AND VILLAGES IN THE UNITED STATES.

Strongest in the World.

A Premium for Brains, Energy and Persistence.

The new "**renewal**" method of compensating its agents adopted by the EQUITABLE gives an unprecedented opportunity **to every man who writes a good, clean business** to build up for himself a continuing and increasing income. This method was not intended to, and does not, appeal to men who regard the business of life assurance as temporary. The EQUITABLE only desires men who enter the business with the intention of making it their life work, as the Society does not want either temporary agents or temporary business.

If further details of this plan would interest you, address,

The Equitable Life Assurance Society

Of the United States

120 BROADWAY - - NEW YORK

JAMES W. ALEXANDER, President JAMES H. HYDE, Vice-President

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

VOL. LXV. SATURDAY, OCTOBER 12, 1901. No. 15.

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Checks and money orders should be made payable to the order of THE WEEKLY UNDERWRITER.

IT goes almost without saying that the twisting methods of Mowry & Patterson were wholly unknown to the Ætna Life insurance company, of which they are the New York life department managers, and we are not surprised to learn that a peremptory stop was put to their operations as soon as the exposure of them in this paper last week was seen by the company. It is due to the company, whose honorable record is one of those treasures of theirs about which Americans are proud, that this explanation of its position regarding this particular case of hidden iniquity should be made. The contemporary press has given wide publicity to our exposure of Mowry & Patterson, and the fact that their practices have been stamped out by the company should have the same currency.

THE plans of the campaign for fire insurance reform in Ohio, formulated by the local agents and backed by the field men, have been submitted to the commercial bodies in that State, with the intimation that their co-operation will be most gratefully appreciated. The campaign has for its present purpose the modification of the laws on the Ohio statute books which unfavorably and unjustly affect the fire insurance business there. The recommendations as to changes embrace the repeal of the anti-compact law and the county appraisers law; the amending of the fire marshal law so as to provide for its maintenance out of the regular taxes and fees received from companies and not from the special tax, as now provided; the amending of the law providing for examinations, so as to limit the charges to ten dollars per day for the chief examiner and five dollars per day for each of his subordinates, with actual traveling expenses; the adoption of the standard form of fire insurance policy in use in New York, with the various riders, but without a co-insurance clause; and the adoption of the New York standard co-insurance clause as an optional contract. If these reforms are effected Ohio will come near being an ideal State for fire underwriters to do business in and almost a model to set before its sister commonwealths. There is a valued policy law remaining, it is true; but that can be allowed to wait until the first obstructions are overcome by the reformers. Its turn will come.

AN article by Dr. A. P. Grinnell, of Burlington, Vt., in the *Medico-Legal Journal*, is attracting attention outside the two professions, on account of his deductions from certain statistics which he has collected, which are to the effect that the popular use of drugs as stimulants far surpasses in volume that of alcohol. The drug—or perhaps what might more appropriately be called the "patent medicine"—habit exists to a much greater extent than is suspected, although we all know that medicine-taking is a common practice in most families. The proprietary medicine business in this country is enormous, and most of its manufacturers, who have the means to advertise extensively and persistently, are millionaires. One large retail drug store in this city confesses to having some three thousand different kinds of nostrums on its shelves and counters. A vast number of people, women largely predominating, buy and swallow these preparations; and who shall say that the ailing which continuously prevails in so many families is not due to their use? Dr. Grinnell shows that the so-called tonics and nervines and blood purifiers sold so extensively are simply panderers to the craving for stimulants. Some of his Vermont statistics are startling. In that prohibition State he finds that druggists' sales show one and a half doses of opium a day for every man and woman in the State. His conclusions are:

> Sooner or later the reformers of the world have got to divert some of their feverish antipathy to alcoholic stimulants and consider calmly and intelligently the drug evil. The deleterious influence on the individual of all forms of drug addiction, and the consequent effect on society and all relations of mankind, make its consideration in its sociological and criminal aspects of paramount importance. The courts have never given much judicial importance to drug habits, but widespread development of drug addiction must surely, sooner or later, bring the matter into greater legal prominence.

In medical examinations for life insurance the patent medicine habit is probably as well worth considering as that of using alcoholic intoxicants.

FIRE insurance by the State may not be a present danger, but the increasing frequency with which advocates of schemes to put it in practice are appearing indicates that the folly may take a start some day and make a good deal of trouble in the legislatures until it collapses or is tried. Indeed, it is already to be put on trial in one of the British colonies if the local government has its own way, and we reprint an article on another page giving some of the features of the bill which has been introduced into the colonial parliament. In this instance it would seem that the project would defeat itself through its reinsurance feature. The insurance of property against the hazard of fire by the State is to be compulsory, but the State protects itself by reinsurance in the regular companies. It is obvious that if the companies decline to do business with the State the plan will not work. A scheme of State insurance quite as crude has been set forth by a Mr. Davis, a lawyer of Cumberland, Md., in a pamphlet which is having considerable circulation in the daily press, particularly in the Southwest, where it may make an impression on callow legislators. The author proceeds on the familiar lines of subtracting the payments for losses from the receipts for premiums in the United States and calling the differ-

ence an unnecessary expense, which will be saved if the Government assumes the underwriting. He argues that as the work would be done through the present fiscal system of the State, by the tax assessors and collectors already provided, there will be no expense for additional machinery, except for a few "trained adjusters." When the property owner makes the returns for taxation the assessor simply adds the fire insurance rate to the tax and the whole procedure is over. The proper rate is to be obtained by making use of the present published classification of hazards of the insurance companies and ascertaining the average annual loss on each hazard. If the aggregate loss on a certain hazard is a million dollars, collect a million from the insured of that class pro rata, and there you are! So saving is this system going to be that it will even do away with the need of State insurance departments and all of the heavy cost of State supervision will be taken from the burdens on the people. In short, as visionary a condition as was ever conceived by a brain absolutely innocent of any knowledge of the subject, but nevertheless so seductive that it may find a host of believers, who will agitate for its realization by the legislative bodies.

Facts and Opinions.

A MEETING of insurance journalists was held at the office of the *Insurance Post,* Chicago, Friday of last week to take action upon the death of Dr. John S. Bloomingston, proprietor and editor of the *Investigator.* The persons present were: C. E. Rollins, P. J. V. McKian and T. W. Dealy, representing the *Argus;* J. A. Jackson, the *Life Insurance Independent;* A. J. Flitcraft, the *Life Insurance Courant;* C. M. Cartwright, the *Western Underwriter;* C. I. Hitchcock, the *Record-Herald;* W. E. Beer, the *Investigator;* B. L. Tomes, the *American Exchange and Review;* B. P. Branham, the *Insurance Field;* Charles A. Hewitt, the *Insurance Post;* A. E. Harrell, the *Chronicle,* and T. R. Weddell, the Chicago *Tribune* and THE WEEKLY UNDERWRITER. Mr. Rollins was called upon to preside and Mr. Hitchcock to act as secretary. A committee, composed of the chairman and Messrs. Hewitt, Huling, Harrell and Hitchcock, reported the following memorial, which was unanimously adopted:

When Dr. John S. Bloomingston, editor of the *Investigator,* died in this city on October 3, insurance journalism suffered the loss of a man whose influence and efforts for almost twenty-eight years had been for the good of both the insurance fraternity and insurance newspaperdom.

He was a man of strong personality, great perseverance, absolute integrity and deep learning. Back of an habitual reserve, which at times impressed strangers as coldness, lay a tender heart and a loyal soul. A constant worker, as well as a student, his sturdy independence and fearlessness commanded the love of his many friends and the highest respect of his adversaries.

Appreciating the work and worth, and recognizing the manly qualities of this veteran warrior of the pen, the representatives of the insurance press have met to-day to take action on his death, and do hereby record their sorrow at the passing of a friend and a brother. Further, they express their sympathy for the sons whom he loved so tenderly and for whom he labored so wisely, and order that a copy of this memorial be engrossed and sent to them.

The funeral services were held at the Hotel Del Prado, Chicago, Saturday afternoon, and the interment was at Graceland.

ON June 11 last preliminary papers of organization were approved by the Massachusetts Insurance Department and a charter granted to the National Casualty Company of Boston, organized to do an accident and sick benefit insurance business on the assessment plan, with an office at 73 Tremont street. The incorporators and directors of the organization were Ernest M. Lang, F. Austin Wilson, Ernest D. Merrow, Levi Woodbury, William A. Leary, Robert J. Donnelly and Joseph A. McCloskey. Of these Mr. Wilson was elected president, Mr. Leary vice-president and Mr. Merrow secretary and treasurer. It may be stated in passing that Mr. Wilson was president of the proposed Home Indemnity Corporation, a fraternal which never reached the point of business authorization. Under the Massachusetts law it is necessary to present 500 applications for insurance before a company like the proposed National Casualty may start in business. That number of applications was accordingly submitted to the department in the latter part of September. The Insurance Commissioner, upon examining the applications, found several of them to be fraudulent, with unmistakable evidence of forgery, and in some instances the money had not been paid, although an affidavit had been filed by the officers and directors stating that all the applications were bona fide, and that each and every one had paid in one full assessment, amounting in all to $500. The president of the proposed company, when confronted with the facts, admitted to the commissioner that the $500 had not been paid into the treasury of the company, and Mr. Cutting last Thursday, in view of the evidently fraudulent character of many of the applications, positively refused to give the company authority to begin business. This is the first occurrence of the kind since the late Commissioner Merrill declined in 1896 for a similar reason to authorize the Mount Hope Mutual Fire insurance company of Fall River, one of the "mercantile mutual" brood, to start in business.

A BROADSIDE issued at San Francisco by the Metropolitan Life insurance company announces to the field and medical staff of the company its assumption of the outstanding industrial obligations of the Pacific Mutual Life insurance company and the entrance of the superintendents, assistant superintendents and agents, and, in part, the medical staff of the industrial department of the latter company, some 600 in number, into the service of the Metropolitan on the Coast. Instructions to the new servants of the company are plainly given and they are urged to keep themselves in close touch with it through its Pacific Coast office, of which Vice-President Gaston is at present in charge. The principles upon which the business is conducted by the Metropolitan are stated in the following words:

A requirement of the Metropolitan that admits of no exception is that every man in its service shall realize that the company's most solemn duty is to its policy-holders—that the policy-holders shall always be treated fairly, courteously and with the most patient consideration. Harshness toward them will, under no circumstances, be tolerated, much less deceit or misrepresentation in dealing with them. We demand that every application written shall be entered into with a full knowledge on the part of the applicant of the provisions of the contract to which he is invited to become a party; that when the policy is issued his rights shall be respected; that, while advance payments are to be commended, they are not to be had by threatening a lapse, or by compelling the policy-holder to call at the Metropolitan office to pay his premiums, because perchance he avails himself of the right accorded him to keep his payments two or three weeks in arrears; that he is not to be persuaded to carry more insurance than he can readily pay for, thereby imperiling not only the additional insurance but the original insurance as well. We demand, in the language of our "Watchword," which appears at the head of this publication, a business first, last and all the time in every respect beyond reproach, and we recognize that the way to gain and maintain it is to win and cultivate the respect and good will of the company's present and future clients.

AN article on the physical improvement of Americans has been written by President John F. Dryden, of the Prudential insurance company, for the Newark *Sunday News,* in which he quotes statistics prepared by Statistician Hoffman of the Prudential to show that the American is the best insurance risk among civilized people, excepting the Swede and Norwegian, the longest lived people whose vital statistics are kept. The same learned and patriotic Jerseyman, Mr. Hoffman, has

found that of all the States of the Union New Jersey has the lowest death rate. Mr. Dryden's observations are interesting. He says:

What are the chances of reaching the age of 100 years in America to-day? The answer to this question is somewhat difficult, since life tables are based on the general population, for which the returns at advanced ages are notably in error, while data supplied by life insurance companies are not applicable to the population in general, which includes the unhealthy and otherwise impaired from an insurance point of view. For Massachusetts a recent life table has been prepared by which it is possible to arrive at the point desired with at least an approximate degree of accuracy. Dr. S. W. Abbott has calculated on the returns for the years 1893-97 that out of 10,000 born in that State, nine persons may be expected to reach the century mark, and those who attain this age may still expect to live 1.2 years longer if males, and 1.5 years longer if females. A comparative table for the year 1855 shows that half a century ago very few, indeed, had a chance to reach the extreme age of 100, since by a table prepared by Elliott only nine out of 100,000 would survive to that age. In other words, the chance of attaining the age of 100 in Massachusetts is to-day ten times what it was half a century ago. Certainly the facts are abundant tending to prove that old age is being attained by men and women in this country with an increasing degree of frequency, and, what is better, to quote the words of an authority: "It is certain that our American men at sixty are not broken up as badly as our fathers were at forty."

For a third time the Federal courts have ruled in the contest over the $50,000 policy issued to Herman D. Cable, former president of the Chicago Cottage Organ Company, by the United States Life insurance company. Again was the opinion of the United States Circuit Court of Appeals at Chicago, October 1, against the contention of Mrs. Alice A. Cable, widow and administratrix of Mr. Cable's estate, the policy being declared void. This ruling was an affirmation of the previous decision of Judge Kohlsaat. The court found that the policy was procured by fraud on the part of George S. Lord, of Evanston, a personal friend of Mr. Cable, though it is stated that his intentions may not have been wrong. On January 16, 1899, Mr. Cable applied for $50,000 insurance on his life. The application was sent to the New York office of the company, and about February 21 the policy was presented to Mr. Cable, who asked to have it withheld for a time. Mr. Lord had also applied for a policy at that time. After both papers reached Chicago and while Mr. Cable was seriously ill Mr. Lord paid the first premium on his friend's policy and took possession of it. The company knew nothing of the illness of Mr. Cable, according to the evidence, until his death on March 2. Then when the widow tried to secure payment of the amount the fight in court began.

The arrest was made in New York on Tuesday night of Robert L. Martin and Henry Veltheusen, president and secretary of the Delaware Surety Company of Wilmington, Del., charged with having committed perjury in swearing to the following affidavit before Thomas Adams, Jr., a notary public of the city of New York, on May 15 last:

Robert L. Martin, president, and Harry L. Veltheusen, secretary, of the Delaware Surety Company, incorporated by and under the laws of the State of Delaware, do hereby certify that the entire capital stock of the Delaware Surety Company, said corporation, of $1,000,000 has been paid in cash.

The arrests were made on the affidavit of Ernest C. Wagenfuhr, who swears that he knows as a matter of fact that no part of the said capital is paid up. The accused were held in $10,000 bail each. They claim that their arrest is an incident in a quarrel between F. A. Heinze, of Helena, Mon., and the Amalgamated Copper Company, as to the ownership of a mine in Pennsylvania, and they assert that the capital stock of the Delaware Surety Company is all paid up as sworn to in their affidavits, but that the company has not yet regularly entered New York for business, as it is not ready to deposit the $250,000 required by the insurance law.

The general agency for Eastern Massachusetts of the Mutual Life of New York, which has headquarters in Boston, and is conducted by the firm of Hopkins, Keep & Hopkins, will on January 1 be divided into two departments, the senior member, Col. Charles A. Hopkins, then retiring. Frederick E. Keep will manage what is to be known as the Boston general agency, including the cities of Boston and Chelsea and Essex County, and Louis I. Hopkins, son of the retiring partner, will have charge of the new Eastern Massachusetts agency, comprising all the counties east of Worcester County, excepting those in the jurisdiction of Mr. Keep. The offices of these gentlemen will be as hitherto in the Mutual Life's Boston building. On the same date Martin C. Hillery, now district manager of the Mutual Life for Essex County, Massachusetts, will become manager of the company for Connecticut, with headquarters at Hartford, and succeeding John W. Nichols, of New Haven, who for many years has been the general agent of the company for Connecticut.

The London *Insurance Record*, commenting on the amalgamations, actual and proposed, in the fire insurance business in England, says:

But while it is easy to perceive many advantages in the new order of things, it would be idle to ignore that the situation has its drawbacks. "Deals" of this kind are never consummated without a certain amount of hardship to a proportion of the various staffs. In similar cases it has been customary of late to promise a modified degree of amelioration; but, generally speaking, it is only temporary at the best. There are instances which can hardly fail to evoke earnest sympathy from those who understand how much of hidden and unobtrusive suffering has to be borne by middle-class families, suddenly deprived of the "ways and means." We trust, therefore—and, indeed, we believe—that this question will be dealt with considerately by the several boards. The mere reduction in the number of companies, too, may possibly eventuate in consequences which the companies generally can hardly desire. Monopoly, to which such reduction tends, is a thing naturally abhorred by the public. What we apprehend, therefore, is the springing up of a host of new competitors; not immediately, perhaps, but as soon as the situation is adequately realized, and fire insurance operations begin to show better results. There is the prospect, however, that the forces opposed to the newcomers will be more than ever overwhelming.

The London *Review* makes the following statement, showing the position of the shares of the various British offices which are reported to be involved in amalgamation movements:

	Amount of share.	Paid up.	Prices June 30.	prices.
Imperial Life	£20	£4	£6	£6½
Imperial Fire	20	5	24	26½
Alliance Life and Fire	20	2½	9	9½
Atlas Life and Fire	50	6	25	30
Phœnix Fire	50	5	37	38
Royal Life and Fire	20	3	49	49½
Union Life and Fire	10	4	22	19

Commenting upon the above, the *Review* says:

It is instructive to note that the Royal shares have more than doubled in price since 1880, and that the Atlas, then 17, are now 30. The Alliance, Phœnix, Imperial Life, Imperial Fire, have so altered their stocks since 1880 that comparisons are impossible. The Union has not had a good year in 1900, and has also changed the denominations of its shares.

On the afternoon of October 22 the Life Underwriters' Association of New York will hold its regular monthly meeting at the Hotel Earlington, Twenty-seventh street, between Broadway and Sixth avenue, New York. Invitations have been extended to W. D. Wyman, president of the National Association of Life Underwriters; I. Layton Register, ex-president of the National Association, and S. E. Woodman, chairman of the executive committee of the National Association, to be present as guests at the banquet which will follow the business meeting. A program of vocal and instrumental music, in addition to one or two other features of entertainment, gives promise of a most enjoyable evening, and the attendance will undoubtedly be large, as it is the first meeting of the association since the Portland con-

vention. It is the duty, as it should be the pleasure, of all the members of the association to strengthen it by their personal attendance at its business and social gatherings.

A DECISION has been rendered by the Cook County Circuit Court at Chicago, holding that the act of July 1, 1899, exempting insurance companies from the payment of local taxes, is constitutional. The court instructed that an injunction issue against the proper officials to restrain them from the collection of personal property taxes under the general laws. The effect of the decision is to relieve non-resident fire companies from the payment of taxes other than the 2 per cent. upon the premiums and for the maintenance of the fire insurance patrol. Attorneys for the county contended that the 2 per cent. tax law was unconstitutional so far as it exempted insurance companies from the payment of municipal taxes upon personal property. The decision was rendered in a test case originally laid against the Hartford, but which was later amended to include the Home of New York.

THE fire loss in September, according to the records of the *Journal of Commerce,* was the smallest of any month of this year, and the smallest of any first nine months of the past three years, except that of June, 1899. The following is the comparison table, and it represents losses in the United States and Canada:

	1899.	1900.	1901.
January	$10,718,000	$11,755,300	$16,574,950
February	18,469,000	15,427,000	13,992,000
March	11,493,000	13,349,200	15,036,250
April	9,213,000	25,727,000	11,352,800
May	9,091,900	15,759,400	22,380,150
June	6,714,850	21,281,000	9,590,000
July	11,426,400	13,609,100	15,740,000
August	9,703,700	10,298,250	8,334,000
September	12,778,800	9,110,300	7,645,200
Totals	$99,608,650	$136,316,550	$120,654,350

AT the quarterly meeting of the Chicago Insurance Survey Bureau on Tuesday the Norwich Union was elected to membership, and a committee was appointed to interview J. H. Lenehan, of the Phenix, relative to withdrawing his recent resignation before it went into effect. Manager Lockett reported that 10,026 inspections had been made since the first of the year, up to October 1, and as this included the vacation season, the number would undoubtedly be increased to 16,000 by the first of the year. With increasing membership and skill on the part of the inspectors, the cost per inspection was steadily being decreased. Work in Indiana will be completed soon, there being only a few thousand more inspections to make there. Detroit has been finished up, and the inspectors are now being scattered over Michigan, with one of the best men located in Grand Rapids.

THE library of the Insurance Society of New York was formally opened at its rooms on Thursday, and will be open each week day from 11 o'clock a. m. to 7 o'clock p. m., except Saturdays, when it will close at 5 o'clock p. m. One meeting each month will be held at the rooms, and members will have the opportunity of listening to experts on practical subjects in which they are interested. Among the lecturers scheduled are the following: "Hazards of Gasoline and Acetylene," by C. M. Goddard; "Mill Fire Protection," by W. A. Stratton; "Adjustment of Fire Losses," by Henry E. Hess; "Chemicals in Fires and Chemical Causes of Fires," by C. A. Hexamer; "Schedule Rating," by F. C. Moore; "Tests in the Underwriters' Laboratories," by W. H. Merrill, Jr.; "General Surveying," by F. M. Griswold; "Notes on Insurance Law," by W. B. Ellison.

AMALGAMATIONS being in the fire insurance air, as it were, in England, the London *Insurance Observer* has discovered another that is probably impending, that of the Guardian and the Union. In its issue of September 27 it says:

Yet another amalgamation debated is that of the Guardian with the Union, which seems feasible enough, seeing that both offices have established fire and life departments. At one time it was rumored that the Alliance would absorb both of these undertakings as well as the Imperial Fire, and here, again, it is easy to see that the official denials were perfectly justified. Insurance and daily journalists, desirous to be early in the field with their information, had managed to get hold of the wrong end of the stick, and they must not blame the managements for not putting them right when extremely difficult negotiations were in train. A Union-Guardian or Guardian-Union alliance appears to us to be an almost ideal financial operation, as both companies are very much alike in point of magnitude.

COMMENT by the *Scottish Critic* on the extension of the life insurance boundaries:

Threatened men live long. Life insurance companies are discovering that impaired lives are sometimes as good as those so gladly accepted for life assurance, and, if not too seriously impaired, are likely to be prolonged far beyond the medical prognosis, because care is specially exercised by the men thus classed, that being the condition upon which comfort and life can be maintained. There may be no relaxation of the strictness of medical examiners, but the somewhat supercilious manner in which candidates for life assurance were treated is becoming a thing of the past. The causes of arbitrary rejection are less numerous than formerly, and the influence of the discovery that rejected lives are frequently long lives is having its proper effect. Certainly the laymen at the head of the insurance business are reaching conclusions that are somewhat at variance with those generally insisted on by the medical advisers.

THE destruction of the plant of the McMahon Biscuit Company, in Chicago, on Tuesday morning, is taken by the officers of the Chicago board as a complete justification of the new rules on credits for mill construction which went into effect October 1. The cracker plant was given credit as a mill construction building, but it went up in flames in a half hour. All openings should have been closed, but there were twenty-three openings between floors in the building, none of them cut off. Hereafter no credits will be allowed except for strict compliance with the requirements of the mill construction rules. The fire has also been taken as an argument for the enforcement of the single occupancy manufacturing schedule, which has been hanging for six months.

THE anniversary week of the Great Fire in Chicago threatens to be a memorable one. Up to Wednesday morning, the anniversary of the day on which the fire broke out on DeKoven street thirty years ago, the losses had been over $1,000,000. Sunday afternoon there was a dock fire, with a loss of $80,000; Tuesday morning the McMahon Biscuit Company plant was destroyed, with a loss of $200,000 to it and adjoining property. The heaviest loss of the week came Wednesday morning, when the Peabody coal docks and adjoining property suffered a loss of $650,000. In addition there were a number of smaller fires, there being twenty-eight alarms Tuesday, and nearly a score of dwellings were burned at South Chicago Monday.

A SPECIAL examination of the Royal Arcanum, whose headquarters are at Boston, will be made by the Massachusetts Insurance Department at the request of the order. The *Standard* says:

The Royal Arcanum was examined in May by the Illinois department, and the understanding is that it was found to be in satisfactory condition, whatever that may mean in such a case, but that the report criticised roundly the fraternal system, saying in effect that inevitable ruin was the final outcome. This report never has been circulated to any extent, so that its exact language is known only in select quarters. The requested examination probably will be made some time before January 1, 1902, and will be conducted by Examiner William H. Brown.

Two suits have been brought at St. Paul, Minn., against the Mutual Reserve Fund Life Association in behalf of policy-

holders. One is by Sarah A. S. Holcombe to recover $1,831.80. The policy was cancelled because the policy-holder, who died in 1899, refused to pay the increased assessment. The other action, begun October 2, is brought by Mabel A. Gale to recover $8,500 on a policy carried by her husband, who died in April last. It was written through the Northwestern Life Association. The Mutual Reserve Fund Life has a motion pending in court at St. Paul to set aside the summons in the Holcombe case, issued by Insurance Commissioner Dearth, acting with power of attorney for the company.

THE *Insurance Herald* learns that the executive committee of the Georgia Life Underwriters' Association has adopted a plan for mutual protection against dishonest solicitors. A subcommittee of three, consisting of Thomas Peters, R. F. Shedden and R. L. Foreman, will immediately put the plan into operation. Each general agent will report to the clerk of the committee, without stating cause, all names of solicitors who have terminated contracts in the past six months. Members inquiring regarding new applicants for positions receive from clerk only the names of the applicants' former employers, from whom further information may be obtained. Inquirers are then free to act as deemed best. Fees for inquiries, 10 cents each.

AN impressive funeral service in memory of President McKinley was held in St. Giles' Cathedral, Edinburgh, Scotland, on the day of his entombment at Canton, Ohio, September 19. The services were attended by members of the civic corporation and high constables, as well as by representatives of various public bodies and the military; the faculty of actuaries, for which places had been set apart, being represented by Mr. David Deuchar, vice-president; Mr. George C. Stenhouse, W. G. Walton and L. P. Orr, members of council, and Mr. W. A. Sim, secretary. A prominent seat in the choir, opposite the members of the faculty of actuaries, was occupied by Mr. Rufus Fleming, the American consul.

IN an action brought by a creditor to recover from the beneficiary the sum claimed by him out of the proceeds of a certificate issued by the Knights of Columbus, Judge Bishop of the Superior Court of Boston decided on Friday of last week that the order is a fraternal corporation within the meaning of the statutes, and that its benefit funds are not liable to attachment or trustee process, and cannot be reached and applied in equity, to pay any debt or liability of a certificate holder or beneficiary. Plaintiff's counsel attempted to show that the predominant purpose of the order was to promote sociability rather than to bestow death benefits, but this contention the court would not allow.

THE rumored delegation of Iowa insurance managers to remonstrate against the reduction of rates on the preferred classes finally dwindled down to Captain J. S. Clark, president of the Anchor Fire of Des Moines, who visited Chicago, Tuesday. He wanted a limit set to the amount of reduction that might be made, and to see whether there could not be some understanding in the matter of local boards that would not conflict with the anti-compact law. He did not get much satisfaction, the disposition of most managers being to let things get as bad as they will in Iowa, and then begin at the bottom and make them all over.

AT the regular meeting of the Boston Board of Fire Underwriters, held last Tuesday, the amended forms of mechanics' permit and ordinary repair and alteration clauses were favorably reported by the executive committee. It was also submitted that the board should hereafter accept properly substantiated owners' valuations of new buildings within six months of their erection for purposes of insurance, and in lieu of such coinsurance clauses as might apply. All these matters, as well as the new rates for coal yards and wharves, were put on the calendar of the next regular meeting for action.

THE estate of the late James G. Batterson, president of the Travelers insurance company, will be settled under the law as an interstate estate. There were two wills found, one of 1879 and the other of 1895, and the latter revoked the former. But as Mr. Batterson had destroyed his signature to the latter will, the probate judge decided that he died intestate. The property, variously estimated at from $300,000 to $500,000, will be divided equally between the heirs, the son, James G. Batterson, of New York, and a daughter, Mrs. Beach, wife of Dr. Charles C. Beach, of Hartford.

THE United States manager of the Atlas, at Chicago, Mr. Newburger, has received a letter from General Manager Pipkin relative to the amalgamation with the Phœnix, and is sending out extracts from it to his agents. It tells them that the combined funds will be $26,000,000, and the premium receipts, $8,500,000, and that the only effect upon the agents will be that hereafter they will have a greatly increased security for the policies which they will issue. The funds and receipts as above stated include, of course, the life insurance business.

ANOTHER setback was encountered by the notorious Klayer at Springfield, Ill., on Tuesday when the Sangammon County Circuit Court decided that he must give bonds in the seventeen suits begun by him against the Ætna by October 11. It is understood that the cases will be dismissed, as were the nineteen begun by him in Clay County when the bond-for-costs idea was sprung on him. A decision is expected shortly on his appeal to the Illinois Supreme Court as to whether bonds should be required of him in such cases.

AN accident insurance swindler named Charles Reinmund, who was arrested at Peoria, Ill., last February after trying to collect from several local agents for a sprained ankle, and who confessed that he had made as much as $500 a week by the game, has been sentenced to the Illinois Penitentiary for an indeterminate sentence on a plea of guilty. He has been in jail ever since, but the Detroit authorities were after him, and rather than go there he pleaded guilty.

IN regard to an application made to the Massachusetts Insurance Department for a broker's license for a corporation intending to do an insurance business, the Attorney-General of the State has sustained the opinion of the Insurance Commissioner that the law intends such licenses to be issued to individuals only, and corporations are not entitled to them.

ARTICLES of incorporation of the Anchor Fire insurance company of Cincinnati were filed in that city September 30. The proposed paid up capital is $300,000, and the proposed incorporators are A. K. Murray, W. K. Briggs, F. F. Murray, F. D. Prentice and Judge Donnelly, the two last being of Napoleon, Ohio. H. A. Sutton is the attorney.

FORTHCOMING meetings of State legislatures:

October, 1901—Georgia, 16th.

December, 1901—Virginia, 4th.

January, 1902—Maryland, 1st; Massachusetts, 1st; Michigan, 1st; New York, 1st; Ohio, 1st; Rhode Island, 1st; Kentucky, 6th; Iowa, 6th; Mississsippi, 7th; New Jersey, 8th; South Carolina, 8th.

May, 1902—Louisiana, 12th.

A PROJECT is on foot to start an industrial life insurance company in Ireland. It is mothered by the Dublin *Freeman's Journal*. The idea advanced is that such a company, with head-

quarters on the "old sod," could appeal successfully for business to the Irish race scattered throughout America, Australia and the British Isles.

HEARINGS are in progress at Springfield, Mass., in regard to the charges of Receiver Bliss, of the late Bay State Beneficiary Association, against the so-called Litchfield Board of Directors, which the receiver accuses of having exploited the association in an unlawful manner for its pecuniary profit.

IT has been decided by the directors of the National Union Fire of Pittsburgh to recommend an increase of the capital stock of the company from $500,000 to $1,000,000, the additional capital to be paid in at the rate of 150 per cent. This will double the net surplus, making it $500,000.

THE executive committee of the New England Insurance Exchange on last Saturday submitted a slight amendment of the revised reduced rate clause, which will make it uniform with that used by the Boston Board of Fire Underwriters, for the approval of the members.

THE National Life of the United States reports $626,000 written during September, as against $320,000 for September of last year. The new business for the year, up to October 1, is $5,300,000, or $1,300,000 more than the total business for all of 1900.

AN examination of the Rockford insurance company of Illinois, whose business was taken over two years ago by the American of Newark, which controls it, has just been completed by Mr. S. H. Wolfe, the consulting actuary.

FIRE insurance companies are thinking of withdrawing from Tampa, Fla., on account of the dangerous situation resulting from the strike of cigar makers, and business men are greatly agitated, says a Tampa dispatch.

THE Minnesota Insurance Department has just completed the examination of the Minnesota Life of St. Paul, legal reserve, formerly the Bankers Life Association, assessment, and finds a surplus of $575,711.

THE governing committee of the Western Union organized on October 4 by the election of Truman W. Eustis, of the Manchester, as chairman, and I. S. Blackwelder, of the Niagara Fire, as vice-chairman.

THE Great Northern Life of Chicago, a recently revived scheme, has elected the following officers: President, E. P. Murdock; secretary and treasurer, Frederick Spies; attorney, P. J. McGuire.

THE National Union Fire insurance company of Pittsburgh, Pa., will seek admission to Massachusetts, and has selected F. G. Macomber as its Boston agent to be.

THE Penn Mutual is to have a new 5 per cent. gold bond policy, with coupons attached, out before November 1.

THE *Investigator* of last Saturday had a very good portrait of Dr. Bloomingston. The expression was lifelike.

THE Mutual Life of Kentucky has entered Florida, and the State Mutual Life of Worcester has entered Georgia.

THE Milwaukee Board of Fire Underwriters has re-elected President August Rebhan and the other old officers.

Personal

AGENCY APPOINTMENTS.

Ætna Indemnity: Walter D. Wellborn, of New Orleans, general agent for Louisiana.

American Fire of Philadelphia: H. A. Hatch, Fitchburg, Mass.

Fidelity and Casualty: John E. Perrin and George Marston, Fall River, Mass.

Fidelity and Casualty: Robert H. Dutton, late of Indianapolis, resident agent at Buffalo, N. Y.; H. H. Lovell, Indianapolis, Ind.

Hanover Fire: Lee W. Bort, of Bellefontaine, State agent for Ohio.

Home Life of New York: Crandall & McGehee, of Atlanta, managers of the Southern department.

Middlesex Mutual of Connecticut: J. M. Forbush & Co., of Boston, managers for the Eastern Department.

Mutual Benefit Life: Coryell & Cummings, of Jacksonville, managers for Florida, succeeding H. E. Whaley.

National Union of Pittsburgh: F. G. Macomber, Boston, Mass.

New York Underwriters Agency: Walter Schroeder, Milwaukee, Wis., sole agent; other agencies being taken up.

Provident Savings Life: William J. Wilkinson, of Baltimore, Md., special agent; T. M. Skiles, general agent, at Baltimore.

Prudential: Rush & Royster, Jacksonville, Fla.

State Mutual Life of Worcester: J. D. Pickert, of Atlanta, general agent.

Thuringia of Germany: Fred. L. Burnham, Greenfield, Mass.

Union Casualty and Surety: H. G. Elliott, resident manager for Philadelphia and vicinity.

Westchester Fire: D. Eldredge & Son, Boston, Mass.

Dr. John S. Bloomingston's will was probated at Chicago this week, and disposed of an estate valued at $75,000. The testator gave the *Investigator* to his younger son, Herbert, who has been studying law and had been with his father on the paper. He will continue the publication with no change of policy, retaining Mr. W. E. Beer as editor. To Albert, the elder son, who is trial attorney for the London Guarantee and Accident, he left $5,000, and to the widow, who was living in Philadelphia, $1,000. The realty, valued at $40,000, is to be divided among the widow and sons, and the $14,000 of personalty between the sons.

Mr. Harry C. Thompson, cashier of the Union Mutual Life at its Cincinnati office, has accepted a nomination from the Ohio Socialists for Governor of that State. The company has terminated his connection with it, on the ground that it is not in its best interests that it should retain in its employ a person "who belongs to any party or organization which aims to destroy the conditions under which it is possible for institutions like our own to exist and prosper."

Mr. Fred. H. Rowe, the attorney for the Illinois Insurance Department, has opened an office in the New York Life Building in Chicago, so as to be nearer the insurance centre, and promises to do business. After November 1 R. M. Mabry, an examiner for the department, is to be detailed to work up evidence against wildcats and violators of the insurance statutes. He will find plenty to keep him busy.

Mr. George S. Porter, who was president of the Norwood insurance company of New York at the time of its organization, and for a number of years a prominent fire insurance broker of New York, died at Glen Ridge, N. J., October 1, from heart failure, aged sixty-two years.

Mr. George L. Phillips, who for the past nine years has been connected with the Great Eastern Casualty Company, has accepted the position of special representative for the States of New York, New Jersey, Massachusetts and Rhode Island with E. E. Clapp & Co.

Mr. Samuel S. Marshall, for many years the representative of the Connecticut Mutual Life in Harrisburg, Pa., and afterward connected with other companies, died at Fairfield, Pa., October 3, from Bright's disease, aged fifty-three years.

Mr. William F. Pearson resigned the presidency of the United States Health and Accident Company of Saginaw, Mich., October 1, to establish a savings bank, and is succeeded by J. Bert Pitcher, who has been secretary.

Mr. Edmund H. Driggs, the Brooklyn manager for the Williamsburgh City Fire, and former Congressman, has received the Democratic nomination for president of the Borough of Brooklyn.

Mr. Roe Marsellus, insurance agent at Passaic, N. J., turned on the gas in his bedroom and died from asphyxiation on Monday. He had been brooding over troubles.

Mr. R. B. Esler, of Des Moines, special agent of the Prussian National for Minnesota, Iowa, Missouri, Kansas and Nebraska, has resigned on account of ill health.

Mr. Henry Y. Wemple, formerly second vice-president of the Manhattan Life, now residing in Vermont, has filed a petition in bankruptcy at Burlington, Vt.

Mr. R. F. Ross, the veteran journalist, until recently identified with the *Insurance Index* as special representative, has accepted the position of general manager of *Insurance Engineering*, published by the *Insurance Press*.

Mr. John Eddy, who was for many years president of the Blackstone Mutual and Merchants Mutual Fire insurance companies of Providence, R. I., died there on October 2, aged eighty years.

Mr. J. Harman Ashley gives a very charming and graceful account of his recent visit to England in the October number of the *Insurance Advocate*.

Mr. F. H. Rindge succeeds Mr. D. W. Edwards as president of the Conservative Life insurance company of Los Angeles, Cal.

Miscellany.

Fire Insurance by the State—The System to Be Tried at the Antipodes.

An article appears in the British publication *Fairplay* discussing the bill introduced by the Government in the Parliament of New Zealand to establish compulsory fire insurance by the state. It is as follows:

A "state fire insurance" bill is before the New Zealand Parliament, and it has been read a first time. The Premier is anxious for the bill to be passed, and it is therefore likely that it will go through some further stages, Mr. Seddon now having a majority in both houses. It is doubtful, however, whether tne measure will be "gazetted" and come into force, seeing that it will be impracticable for the Government to obtain adequate reinsurance cover. The bill provides that in all proclaimed districts everybody must insure against fire, and must place the risk with the Government. One effect of this will be to cause the withdrawal of the local companies and agencies from the fire business. Another effect will be that the Government will have to accept the risk on one man's furniture for, say, £100, and on another man's property for from perhaps £100,000 to £200,000. Large lines cannot be prudently taken unless with reinsurance arrangements, for without such subsidiary cover the Government would stand to be hit very hard by a series of conflagrations.

Experts do not think that British fire offices would care to enter into reinsurance treaties with the New Zealand Government as the latter seems, to contemplate; the alternative would be for that Government to accept French, German or Russian security, and it is not believed that the New Zealanders, even to please Mr. Seddon, would be agreeable to accept such security. In the bill large powers are granted to the state manager, who may charge any rate he pleases, and the assured must pay it, there being no option to go uninsured. A New Zealand correspondent puts the matter in this way: "John Jones, a supporter of the Government, may get his risk done at 7s. 6d. per cent., but Thomas Smith, being against the Government, may be made to pay 15s. per cent. for the same class of risk. * * All legislation appears to be against capital, and I am sorry to say I think that there is a bad cycle approaching for the prosperity of New Zealand." As my correspondent is well acquainted with the insurance business generally, and is favorably situated for estimating the effect of the new measure should it come into operation, his opinion is entitled to weight.

Many business men in the colony consider that this bill, which proposes to interfere with the liberty of the people to do business with whom they choose, is, to quote one opinion, "simply outrageous and astounding." If the New Zealand Government is justified in taking up fire insurance it would be equally justified in taking up life insurance, and, in fact, every other description of business. Once sanctioned, such a course must inevitably end in state socialism of the most pernicious kind. But probably long before that stage was reached the people would be disgusted with the many undreamt of developments of their new departure. Why the New Zealand Government should elect to start a compulsory fire insurance business at the present juncture it is difficult to understand. During the last four or five years, and as a result of the numerous large fires, the fire companies doing business in the Australian colonies have only been able to secure the barest margin of profit. In the first seven months of the present year heavy fires in New Zealand have swept away the premiums received, without allowing anything for working expenses.

A few references to the bill will serve to show the extraordinary character of the measure. By Section 14 it is provided that the State Fire Insurance Office is "to insure or reinsure, against loss or damage by fire, insurable property of all kinds situate in New Zealand." By Section 15 the manager "shall have power from time to time to enter into, perform and enforce any contracts which may be lawfully entered into by or with any person or company for the insurance or reinsurance of insurable property of all kinds situate in New Zealand, * * and generally to do whatever he deems necessary in connection with or incident to such business, including the reinsurance of fire risks taken under this act." How will he be able, when the State Fire Office monopolizes the business, and local companies and agencies are thus driven from the field, to find reinsurance facilities? The framers of the measure seem to have lost sight of this contingency. By Section 52 the provisions relating to the "statutory insurance of buildings" shall apply only in districts where the act is adopted "pursuant either to a special order in that behalf duly made by the council of the district or to a poll of the rate-payers." The special order shall be superseded by the poll, but (Section 54) if the special order is not superseded by a poll the act "shall be deemed to be adopted in the district" one month after the date of the special order.

Section 58 provides for the triennial preparation of a list to be called the "Fire Insurance Roll," in which is to be entered a mass of particulars in respect of every building, * * whether ratable property or not, and whether belonging to His Majesty or any other body, person or body; name, etc., of owner; capital value of property; nominal insurance value thereof, being not more than three-fourths of the capital value; actual insurable value; classification, etc. "The decision of the manager shall be final and conclusive as to the classification of any building, the actual insurable value thereof and the rate and amount of premiums payable in respect of the statutory insurance thereof." By Sub-section 2 of Section 59: "The manager may put into a special class, called the 'uninsurable class,' any building which in his judgment is too hazardous a risk to be taken."

The Perils of Fire Reinsurance.

(*The Post Magazine, London.*)

Some of our recent American exchanges allude to what they consider an urgent want at the present time. Owing to the retirement of several foreign companies, large lines are necessarily thrown open to those that remain in the field. Doubtless, in multitudes of cases, these lines are found too large for individual companies to hold at their own risk; hence, according to the contemporaries referred to, there is now a dearth of reinsurance facilities in the United States; and it is suggested that there is a promising opening for the establishment of new reinsurance companies.

A want of this kind is, perhaps, chronic in Great Britain as well as in America. To fire insurance companies eager to swallow large lines—sometimes having hooks on the ends thereof—with a view to shutting out active competitors, it is convenient to have at hand, to help them out, a group of non-competing companies, dependent for their business on the "favor" of the direct companies. At the first blush, it may appear to the inexperienced to be immaterial whether the business comes direct from the public or by way of reinsurance. But that is to take a very superficial view of the subject. As a matter of fact, confirmed by the experience of many years, there is all the difference in the world between these two channels of business. We would not venture to assert that a purely reinsurance business could never be made to pay; but it is matter of common knowledge that in this country it never has paid. And it is worth while to inquire what have been the principal causes of failure. We do not overlook the fact that we still have among us at least one exponent of pure reinsurance, to wit, the Fire Insurance Company of London, the recently issued annual report of which gives promise of permanent success, a promise which it is to be hoped time will eventually confirm.

What, then, are the drawbacks which militate against the prosperity of a fire reinsurance company? Before answering this question let us inquire what there is in its favor. It is quite conceivable that a company of this kind satisfactorily backed might, in a comparatively short time, attain a premium income of considerable magnitude. Moreover, it would have this advantage over the direct insuring company, that its business would be worked at less expense. But, on the other hand, it may be accepted as absolutely certain that a large premium income, rapidly built up, could not, in the nature of things, represent a business which was sound all through, and which could be reckoned on to yield an average profit, notwithstanding the fairly wide margin left after paying commission and management expenses.

The reason, of course, is not far to seek. Let a reinsurance company, with substantial capital, open its door and invite the support of the direct companies; and, forthwith, it will probably be favored with an avalanche of "requests," coming from all sides. Some of these—it is to be feared, only a minority—may represent eligible business; but many more, bad or inferior risks. Not a few will offer the worst risk of a group of risks covered by the same policy. But, it will be said, it is in the power of the management to discriminate, and to refuse the undesirable. True;

and that is the only course which will give the company the faintest chance of success. But its adoption means that the business will be a small one, and its growth very slow. On the smallest symptom of independence, it is quite probable that most of the "supporting" companies will cease their offers. A favorable plan is to offer a number of risks en bloc; yet woe betide the reinsurer who attempts to pick and choose. He will summarily be given to understand that he cannot have the good without taking his share of the bad.

Thus the reinsurance manager is confronted with a dilemma. He may either be firm and independent, be the sacrifice what it may, and so content himself with a select, small and slowly growing business. Or, he may be complaisant and accept thankfully whatever comes to his net; to find himself, in his second or third year, overwhelmed with a heterogeneous multitude of claims, probably a long way beyond his worst anticipations. There are many other respects in which reinsurance business contrasts unfavorably with direct business; and we have made no mention of continental treaties, the rocks upon which many promising enterprises have been wrecked. The consideration of these, however, must be reserved for a future occasion.

A Daily Paper on the Decision of Judge McPherson.

(The Boston Herald.)

The decision of Judge McPherson, of the United States Circuit Court in the district of Nebraska, in the case of the Niagara Fire insurance company v. the State Auditor, et al., is one which if sustained by the Supreme Court at Washington—as it in all probability will be—will place a decided check upon a great deal of rash legislative action. This case grew out of the anti-trust laws of the State of Nebraska, and has a bearing on quite a number of other subjects besides the mere question of fire insurance. The complainants in this case asked for a permanent injunction to restrain the State authorities from carrying out a law which the Legislature had passed, prohibiting fire insurance companies from agreeing upon the rates to be charged for insurance or on the manner of transacting their business. Under the statute it was provided that no combination of companies or individuals for trade purposes should be permitted, except that associations of laboring men were exempted from the provisions of the statute—that is, such combinations as the latter might make were legal, while combinations which others might make were illegal.

The ground taken by Judge McPherson in his decision was the broad, general one that the statute was unconstitutional, for to declare, as the Nebraska law did, that any person who enters into a contract whereby a party is not to deal in any article below a certain price, or by which the party agrees to keep the price at any sum, is a conspirator, and punishable accordingly, is to strike a blow at that clause in the constitution which says: "Nor shall any State deprive any person of life, liberty or property without due process of law." The right to make contracts is a part of the liberty of the individual, and there is, in the judge's opinion, no more sacred right under our Government than this, for without it modern business cannot be transacted. * *

There is not the least doubt that it is exceedingly hard under our form of government to prevent different States from transcending the powers which the federal constitution accords to them. There is a not unwarranted desire to place a check upon the formation of monopolies, but in almost every instance the State Legislatures that attempt this do it in a manner which brings them into conflict with plain constitutional requirements. To pass a statute such as the Nebraska one providing an exemption for labor unions is an almost inevitable method of procedure, for the reason that it is recognized by State legislators that to prevent wage earners from combining together to fix if they can their rates of pay and hours of labor would be seriously detrimental to the latter, while in consequence of its unpopular character it would probably be impossible to pass a bill that did not contain such an exemption. But if this exemption is made, the equality of treatment which the constitution requires is not accorded. If the wage earners have a right to combine and decide that they will not work except for certain hours or at certain prices, then merchants and manufacturers have also a right to combine and state that they will not sell their goods at less than certain prices. To deny to one class rights that are accorded to the other is illogical as well as unconstitutional.

Sun Ins. Office of London, England.

J. J. GUILE, U. S. MANAGER.

OFFICE: 54 PINE STREET, NEW YORK.

1825. THE 1901.

Pennsylvania Fire Insurance Co.

OF PHILADELPHIA.

Cash Capital,	$400,000.00
Re-insurance and all Liabilities,	2,771,038.56
Surplus,	2,163,883.97
Total January 1, 1901,	$5,334,922.53

R. DALE BENSON, Prest. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Prest. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

The Mutual Benefit Life Insurance Co.

NEWARK, N. J.

AMZI DODD, - - PRESIDENT.

ASSETS (Market Values) Jan. 1, 1901	$74,311,468 25
LIABILITIES, N. J. and N. Y. Standard	68,186,103.34
SURPLUS	6,125,364.91

MUTUAL BENEFIT POLICIES

—CONTAIN—

Special and Peculiar Advantages

WHICH ARE NOT COMBINED IN THE

POLICIES OF ANY OTHER COMPANY.

Established 1782.

Phœnix Assurance Company,

OF LONDON.

FIRE INSURANCE ONLY. LOSSES PAID OVER $100,000,000.

Head Office for the United States, 37 Liberty St., N. Y.

A. D. IRVING, Manager. E. B. CLARK, Asst. Manager.
LOUIS P. BAYARD, 2d Asst. Manager.

ESTABLISHED IN 1822.

THE NATIONAL ASSURANCE COMPANY OF IRELAND.

GEORGE E. KENDALL,
United States Manager,
HARTFORD, CONN.

The American Fire Insurance Co.,

PHILADELPHIA, PA.

CASH CAPITAL	$500,000.00
Reserve for Reinsurance, and all other Claims	1,603,605.54
Surplus over all Liabilities	247,360.42
TOTAL ASSETS, JANUARY 1, 1901	$2,477,069

THOMAS H. MONTGOMERY, Prest.
RICHARD MARIS, Sec. and Treas. WM. F. WILLIAMS, Asst. Sec.
WM. B. KELLY, Gen. Mgr.

DIRECTORS—Thomas H. Montgomery, Israel Morris, Pemberton S. Hutchinson, Joseph E. Gillingham, Charles S. Whelen, Edward F. Beale, John S. Gerhard, Edward Lowber Welsh, Archibald R. Montgomery.

CHARTERED 1866.

The Old Reliable

Hartford Life Insurance Co.

HARTFORD, CONN.

Issues Whole Life, Endowment, Semi-Endowment and Life-Endowment-at-Age-80 Policies, in amounts from $10 to $500 and from ages 2 to 60. These policies are plain in terms and conditions. Cash Surrender and other values are written in the contract. All "Hartford" Policies are in full immediate benefit in case of death by accident.

Best to sell or insure under. Over $20,000,000 Paid in Benefits.

GEO. E. KEENEY, President. CHAS. H. BACALL, Secretary.

INCORPORATED 1851.

The Berkshire Life Insurance Co.

OF PITTSFIELD, Mass.

All Policies issued by the Company are subject to the Massachusetts Non-Forfeiture Law.

WM. R. PLUNKETT, President.

JAS. M. BARKER, Vice-Pres. JAS. W. HULL, Sec'y and Treas.

Agencies in all the principal cities of the United States.

INCORPORATED 1865

GERMAN INSURANCE CO.

OF FREEPORT, ILL.

The Largest and Most Successful Fire Insurance Company in the West.

Assets, January 1, 1901,	$3,656,401.59
Cash Capital,	200,000.00
Liabilities, including reinsurance,	2,181 179.89
NET SURPLUS,	1 275,221.70

C. O. COLLMAN, Pres. HENRY BAIER, Vice-Pres. D. B. SCHULTE, Treas.
WM. TREMBOR, Sec. F. M. GUND, Ass't Sec.

North British & Mercantile

INSURANCE COMPANY,

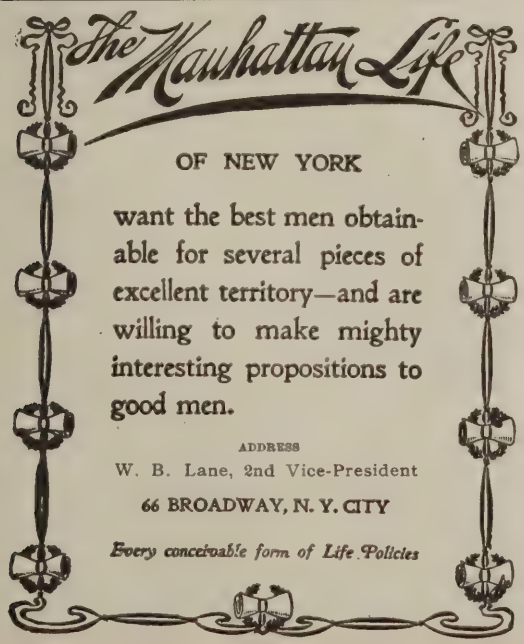
OF LONDON AND EDINBURGH.

Established 1809.

OFFICE:

76 WILLIAM STREET,

NEW YORK CITY.



State Mutual Life Assurance Co.,

OF WORCESTER, MASS.

A. G. BULLOCK, President.

Incorporated 1844.

Issues policies, incontestable after two years, protected by the Non-Forfeiture Law of Massachusetts. Yearly dividends.

Assets	$17,754,046
Liabilities	15,889 512
Surplus January 1, 1901	$1,864,534

C. W. ANDERSON, General Agent, 189 BROADWAY, NEW YORK.

COMMERCIAL UNION ASSURANCE CO.

LIMITED,

OF LONDON.

OFFICE:

Cor. Pine & William Sts., New York.

Instituted in Reign of Queen Anne, A. D. 1714.

Union Assurance Society of London

No Overhead Writing

No Dual Agencies.

Loyalty to Local Agents.

United States Offices: Society's Building,

35 Pine Street, New York, ... Hall & Henshaw, Managers
171 La Salle Street, Chicago, ... Hall & Henshaw, Managers
35 Kilby Street, Boston, . . Hall, Henshaw & Gilmour, Managers
English-American Building, Atlanta, Ga., . George N. Hurt, Manager
Mining Exchange Building, Denver, Col., Gerald L. Schuyler, Manager

AGENTS IN ALL THE PRINCIPAL TOWNS AND CITIES.

Royal INSURANCE COMPANY

(FIRE)

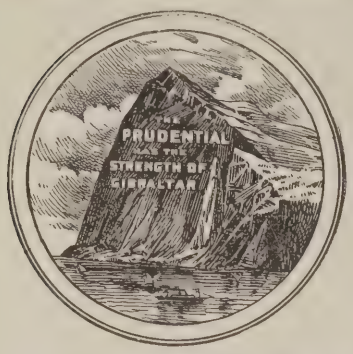
OF LIVERPOOL, ENGLAND.

Statement of United States Branch,

JANUARY 1, 1901.

Assets, held in the U. S. for the special protection of its American Policy-holders.	$7,187,715.01
Liabilities,	4,703,671.36
Net Surplus,	$2,484,043.65

AGENCIES IN ALL THE PRINCIPAL CITIES, TOWNS AND VILLAGES IN THE UNITED STATES.



ORDINARY
and
INDUSTRIAL
PROFIT SHARING
POLICIES.

EXCEPTIONAL
ADVANTAGES
TO

..... Active Agents.

WRITE TO

THE PRUDENTIAL INSURANCE CO. OF AMERICA

JOHN F. DRYDEN, President. Home Office: NEWARK, N. J.

1850. THE 1901

United States Life Ins. Co.

IN THE CITY OF NEW YORK.

GEORGE H. BURFORD, President.

FINANCE COMMITTEE.

GEO. G. WILLIAMS, . . . *President Chemical National Bank*
JOHN J. TUCKER, ... *Builder*
E. H. PERKINS, Jr., *President Importers' and Traders' National Bank*
JAMES R. PLUM, ... *Leather*

Active and successful Agents who desire to make Direct Contracts with this well-established and progressive Company, thereby securing for themselves not only an immediate return for their work, but also an increasing annual income commensurate with their success, are invited to communicate with RICHARD E. COCHRAN, 3d Vice-President, at the Company's Office, 277 Broadway, New York City.

Assets over $8,000,000. Insurance in Force, over $40,000,000

When Working for The Mutual Life...

You needn't introduce the Company—the Company introduces you. There you have it. You needn't take a minute or a word to prove where The Mutual stands or what it stands for. The whole world knows its masterful leadership—just as you know it yourself. But there are some things you may not know.

DO YOU KNOW

That **The Mutual Life** is especially helpful to agents?
That **The Mutual Life** writes the most liberal policies?
That **The Mutual Life** gives the highest guarantees?
That **The Mutual Life** has policies that meet every requirement of investment as well as of protection?

Look into these things. Take no one's say so, but investigate,

The Mutual Life Insurance Company

OF NEW YORK,

RICHARD A. McCURDY, President.

IT IS THE LARGEST FINANCIAL INSTITUTION IN THE WORLD.

Income in 1900, - - - $60,582,802.31
Assets January 1, 1901, - - $325,753,152.51

It has room for workers who are not rebaters. Address

GEORGE T. DEXTER,
Superintendent of Domestic Agencies,
NEW YORK.

The Lancashire Insurance Company

OF MANCHESTER, ENG.

MILTON DARGAN, Manager,

25 Pine Street, NEW YORK.

Germania Fire Insurance Co.

Southeast Corner of William and Cedar Streets, New York.

STATEMENT, JANUARY 1, 1901.

Cash Capital	$1,000,000.00
Reserve for Unearned Premiums	1,563,778.00
Reserve for Losses under adjustment	81,571.61
Reserve for all other Claims	42,475.49
Net Surplus	2,275,975.38
Total Assets	$4,963,800.48

HUGO SCHUMANN, Prest.

FR. VON BERNUTH, GEO. B. EDWARDS, } Vice-Presidents. CHARLES RUYKHAVER, sec. GUSTAV KHER, Asst. sec.

Northern Assurance Company,

OF LONDON, ENGLAND.

EASTERN AND SOUTHERN DEPARTMENTS,

38 PINE STREET, NEW YORK.

GEORGE W. BABB, Jr., Manager. T. A. RALSTON, Sub-Manager.

TO BE FAITHFUL

...To Policy-holders and Agents

is the motto of the management of the Union Mutual. To serve all interests impartially. To treat all parties with consistent candor. To issue policies of pronounced liberality To make all death payments with the utmost promptness. To be fair in all dealings.

Honest, capable Agents can always have employment with us.

Union Mutual Life Insurance Co.

Portland, Maine.

INCORPORATED 1848.

FRED E. RICHARDS, President. ARTHUR L. BATES, Vice-President.

Address either { EDSON D. SCOFIELD, *Supt*, 1110 Am. Tract Society Bldg. 150 Nassau St., New York City. THORNTON CHASE, *Supt.*, 84 Adams Street, Chicago, Ill.

The Preferred Accident Insurance Co.

OF NEW YORK.

Accident Policies. Health Policies.

Large Benefits, Low Rates, Best Commissions.

December 31, 1899:

Assets, - - - - - $779,385.45
Surplus, - - - - - 365,124.30

KIMBALL C. ATWOOD, Sec'y, 290 Broadway, NEW YORK.

Lion Fire Insurance Company,

84 QUEEN ST., CHEAPSIDE,

LONDON, ... ENGLAND.

United States Branch: Hartford, Conn.

Scottish Union & National Ins. Co.

ESTABLISHED 1824.

No. 35 St. Andrew Square, Edinburgh, Scotland.
No. 3 King William Street, E. C., London.

United States Branch: Hartford, Conn.

National Life Insurance Company of Vermont.

J. C. HOUGHTON, President.
JOS. A. DE BOER, Vice-President.
O. D. CLARK, Secretary.

THIS COMPANY HAS GAINED IN THE LAST DECADE,

In Assets, . . . $12,275,109.34, or 160.96 per cent.
In surplus, . . . 1,089,332.69, or 119.47 per cent.
In insurance, . . 48,102,491.00, or 93.64 per cent.

Sells the Most Modern, Profit-Sharing, Non-Forfeitable Contracts of Life, Term, Endowment and Annuity Insurance. Correspondence from interested parties promptly recognized. Good agency contracts for reliable men.

J. F. MAKLEY, General Manager,
149 Broadway, New York.

The Union Central Life Ins. Co.,

CINCINNATI, OHIO.

Assets, January 1, 1901, ... $26,440,297.28
Surplus, ... 3,693,343 46

No Fluctuating Securities. Largest Rate of Interest. Lowest Death Rate
Endowments at Life Rates and Twenty Payment Guaranty Policies Specialties.
Large and increasing Dividends to Policy-holders. DESIRABLE CONTRACTS and GOOD TERRITORY open for LIVE Agents.
Address JOHN M. PATTISON, President.

THERE ARE FEATURES IN THE FIFTY-THIRD ANNUAL REPORT OF

The Penn Mutual Life Insurance Company

Of interest to all engaged in life insurance work.
A copy on request.

THE PENN MUTUAL LIFE INSURANCE COMPANY,
921-925 CHESTNUT STREET, - PHILADELPHIA.

Head Office for the United States:

57 and 59

William Street,

NEW YORK.

A. G. McIlwaine, Jr., Manager.

Phœnix Mutual Life Insurance Co.

OF HARTFORD, CONN.

ORGANIZED IN 1851.

Assets, January 1, 1901.... .... $13,278,711.73
Surplus at Four per cent..... 564,656.73

Total Paid Policy-holders over
—$42,500,000—

ACTIVE AND INTELLIGENT MEN WANTED AS AGENTS, with whom liberal contracts will be made. Desirable territory now open. The new plans of the Company are brief, clear and liberal. Life and Endowment Policies have endorsed upon them definite cash, loan, and paid-up values, and in case of lapse, insurance is extended without action on the part of the insured.

J. B. BUNCE, President. J. M. HOLCOMBE, Vice-President.
C. H. LAWRENCE, Secretary.
NEW YORK OFFICE: WEED & KENNEDY, Managers, 149 Broadway.

The Agricultural Insurance Company of Watertown, N. Y.

ESTABLISHED 1853.

Assets, January 1, 1901.....$2,283,558.42
Total Liabilities, except Capital.....$1,240,017.87
Joint Stock Capital..... 500,000.00

National Fire Insurance Company,

HARTFORD, CONN.

JAMES NICHOLS, President. B. R. STILLMAN, Secretary.
H. A. SMITH, Assistant Secretary.
HEAD OFFICE, 95 Pearl Street, Hartford, Conn.

WESTERN DEPARTMENT.
FRED. S. JAMES, General Agent.
G. W. BLOSSOM, Asst. Gen'l Agent.
Office, 174 La Salle St., Chicago.

PACIFIC DEPARTMENT
GEO. D. DORNIN, - Manager.
GEO. W. DORNIN, Asst. Manager.
Office, 409 California St., San Fran.

HANOVER

Agencies in all the Principal Places in the United States.

Fire Insurance Company OF NEW YORK.

London Assurance Corporation,

CHARTERED A. D. 1720.

SURPLUS IN U. S. JAN. 1, 1901, $838,698.68

CHAS. LYMAN CASE, Manager.
4 PINE STREET, - - - - - - NEW YORK.

PHENIX INSURANCE COMPANY,

OF BROOKLYN, N. Y.

NEW YORK OFFICE:
47 CEDAR ST.

1846—1901.

THE CONNECTICUT MUTUAL LIFE

Insurance Company.

WHERE THE CONNECTICUT MUTUAL STANDS.

During all the long struggle out of which this situation has developed, and amid the many schemes devised to attract public attention and favor to something else than life insurance, the attitude and position of the Connecticut Mutual have never been doubtful.

It has held to the cardinal facts: Life insurance is for the protection of those dependent on a man's life; their dependence makes it his unavoidable duty. Those dependents we assume to protect by our contract, at his personal cost; our duty to them is to make that protection as large, as secure, and as certainly available to them as possible; our duty to him is to make its cost to him as small as possible.

JACOB L. GREENE, President. **HERBERT H. WHITE, Secretary.**
JOHN M. TAYLOR, Vice-President. **DANIEL H. WELLS, Actuary.**

The Metropolitan Life Insurance Co.

(INCORPORATED BY THE STATE OF NEW YORK.)

"The Leading Industrial Insurance Company of America,"

IS REPRESENTED IN ALL THE PRINCIPAL CITIES OF THE UNITED STATES AND IN CANADA. THE PAYMENT OF OVER 250 DEATH CLAIMS DAILY TELLS OF THE GOOD IT DOES. INSURANCE IN FORCE OF OVER $900,000,000 ATTESTS ITS GREATNESS AND FAVOR WITH THE PUBLIC.

Permanent, Profitable and Progressive Employment.

AGENTS WANTED—Any honest, capable, industrious man, who is willing to begin at the bottom and acquire a complete knowledge of the details of the business by diligent study and practical experience can, by demonstrating his capacity, establish his claim to the highest position in the field. It is within his certain reach. The opportunities for merited advancement are unlimited. All needed explanations will be furnished upon application to the company's superintendents in any of the principal cities, or to the Home Office, No. 1 Madison Avenue, New York City.

JOHN R. HEGEMAN, President.

HALEY FISKE, Vice-President. GEORGE H. GASTON, Second Vice-President. GEORGE B. WOODWARD, Secretary. J. J. THOMPSON, Cashier and Assistant Secretary. JAMES M. CRAIG, Actuary. JAMES S. ROBERTS, Assistant Secretary. STEWART L. WOODFORD, Counsel. THOS. H. WILLARD, Medical Director. A. S. KNIGHT, Assistant Medical Director.

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.

FOUNDED 1792.

Assets, January 1, 1901		$9,583,791
LIABILITIES—Reserved for Reinsurance and all other claims	$4,805,254	
Capital Stock	3,000,000	
Surplus over all Liabilities	1,778,537	$9,583,791

Agents in all the principal towns and cities.

CHARLES PLATT, President. EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. BENJAMIN RUSH, Second Vice-President.
T. HOUARD WRIGHT, Marine Secretary JOHN B. ATWOOD, Assistant Secretary.

Offices in New York: Fire, William and Pine Sts.; Marine, 63 Wall St.

Provident Life and Trust Co.

OF PHILADELPHIA.

The best in Life Insurance is likely to be the cheapest. The same fidelity, skill and care which are necessary to guarantee the future security of a company result in the lowest cost. A good test, therefore, is to determine whether the organization and the surroundings of a company exclude all doubt as to future security. In determining this the question of cost is determined also. **THE PROVIDENT LIFE AND TRUST COMPANY** invites inquiry as to its organization and the provisions for safety afforded. For the full period of its existence the death rate has been only .614 of the rate indicated by the authoritative tables.

The Massachusetts Mutual Life Insurance Company,

INCORPORATED 1851.

SPRINGFIELD, MASS.

ASSETS - January 1, 1901	$26,245,622.04
LIABILITIES	23,920,986 53
SURPLUS	2,324,635.51

Definite Paid-up and Cash Surrender Values written in every Policy.

JOHN A. HALL, President. HENRY M. PHILLIPS, Secretary.

New York Office: Empire Building, 71 Broadway.

GEORGE J. WIGHT, Manager.

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

Vol. LXV. SATURDAY, OCTOBER 19, 1901. No. 16.

Published every Saturday by the Underwriter Printing and Publishing Company.

Subscription price: Five Dollars per annum in advance. Single Number, Ten Cents.

All communications should be addressed to The Weekly Underwriter, 58 William Street, New York.

Checks and money orders should be made payable to the order of The Weekly Underwriter.

The action of the directors of the Travelers insurance company on Monday in electing Mr. Dunham to the presidency was right. If there was a disposition in any quarter, as was rumored, to make another choice, it was quickly dissipated by the spontaneous expression of opinion from the policy-holders, the agency force, the insurance community and the press that Mr. Batterson's successor should be the man who had been closest to him in the management of the company and had had the advantage of an acquaintance with the founder's ideas upon its future development. Mr. Dunham takes to his important office not only that valuable knowledge, but capacity, legal training, unflagging industry and devotion to the company. He is not yet an old man as age is counted in these days, and there is reason therefore to expect that the Travelers will have the benefit of his directing mind for many years to come; in other words, a continuation of the policy of the great administrator who built up the company.

The fire insurance rate war in Iowa is productive of certain paradoxical conditions. We read in a paper of that State that it is better to pay a high rate for insurance to a local company than a low rate to one of another State or country. The local company should be protected and preserved, though it costs the property owner more to do it. This is, of course, the familiar doctrine of protection, but it can only succeed when the Government puts up legal barriers against outside competition and makes it to the pecuniary interest of the consumer to support the home industry. So long as good goods are offered by the non-resident at lower prices than the domestic dealer no citizen will be patriotic—and we may add ridiculous—enough to sacrifice his pocket to the support of his neighbor. It is against nature. The appeal, therefore, which the president of the hitherto obscure Century Fire insurance company, of Des Moines, has issued to the people of Iowa will not avail. He may argue that the acceptance of the best article of insurance in the market at low rates will break down the home companies and then the rates will go up, but the property owner will answer that the future can be allowed to take care of itself. If the outsiders become unreasonable there is always an opening for home enterprise.

We are not surprised to learn that "life underwriters deprecate the attack on Philip H. Farley, of the Mutual Life of New York, made by A. J. Flitcraft at the meeting of the Life Underwriters' Association, of Chicago," on Wednesday evening. The statement is that Mr. Flitcraft took advantage of the occasion, which was in reality a reception to the new president of the National Association who was elected over Mr. Farley at the recent convention, to assert that the defeat of the latter was due to his connection with the executive special department of the Mutual Life insurance company, "which has lately been practically abolished because it was in violation of good practices." There is nothing that will so quickly destroy the associations of agents as the introduction of company politics. The vital principle underlying association is harmony. It was to create comity of intercourse between the representatives of competing companies that these organizations were formed. Any member who assails a company represented in his association introduces discord and, what is worse, the entering wedge of disintegration. This is what Mr. Flitcraft is reported to have done in reflecting upon the business policy of one of the companies in the Chicago association. We do not hear that he was rebuked by the association, but if he was not the discipline cannot be too soon administered. The tendency to such an offense should be stamped out at once. Mr. Flitcraft can perhaps explain, but his bumptiousness on other occasions leads us to suspect that he has not been misrepresented in this case. As for Mr. Farley he is quite able to take care of himself in any controversy that may be forced upon him. He is a devoted friend of the association idea and has proved it in service, and he is not likely to abandon it so long as the organization itself is true to its ideals.

The accomplished president of the Prudential insurance company has been writing very entertainingly as well as learnedly on the growth of the American man in physical vigor in the past half century, and showing by indubitable statistics that he is in better condition at the age of sixty to-day than his grandfather was at the age of forty. The cause of this rather startling and very pleasing circumstance is probably to be found in improved sanitation, food, shelter and clothing, but most of all in a better knowledge and observance of the laws of health. We are accused of living fast in this age and it is true that we crowd a good deal of strenuous labor and other practices more enervating into our lives, but it is principally in the great cities that we do this. Whatever deteriorating influences are at work upon some of us, on the other hand the mass of our people show physical improvement by comparison with their ancestors. It is a fact that three centuries ago a man was aged at fifty. Recall Shakespeare's description of the man of his time, at sixty "the lean and slipper'd pantaloon * * his youthful hose, well saved, a world too wide for his shrunk shank, and his big, manly voice

turning again toward childish treble," and at seventy, "second childishness and mere oblivion, sans teeth, sans eyes, sans taste, sans everything." Compare these Elizabethans with the vast majority of elderly people of our day and the change that has been going on will be appreciated. Behold the eloquent junior Senator from New York at sixty-eight about to wed a handsome young woman and begin domestic life anew. No "lean and slipper'd pantaloon" and "childish treble" there. We have in mind an active member of our own hard working profession; an esteemed contemporary, whose frame is as stalwart, whose step is as alert, whose intellect is as keen and whose pen is as vigorous as they ever were, and he is nigh unto seventy years of age. No "sans teeth" or sans anything that becomes a man there. These tough sexagenarians and septuagenarians are all about us, with no cemetery in sight yet. Mr. Dryden is right. The modern man is attaining old age with increasing frequency. At the present rate of progression he will reach a hundred in considerable numbers a hundred years hence. The prospect is interesting to life insurance companies.

Facts and Opinions.

THE Des Moines *Register* of a recent date stated that the Minnesota Insurance Department had readmitted the Mutual Reserve Fund Life Association to that State. A special dispatch from St. Paul to this paper yesterday denied the truth of the report, and said on the authority of the commissioner that there was no ground for it.

OVER one hundred seats at the banquet of the Life Underwriters Association of New York on next Tuesday night at the Hotel Earlington, West Twenty-seventh street, New York, have been sold, and the occasion promises to be an unusual success. A telegram received from President Wyman of the National Association of Life Underwriters conveys the information that he will be present. Other speakers at the dinner will be ex-President Register and Chairman Woodward of the National Association. There will be instrumental and vocal music and other entertaining features. The business meeting preceding the dinner will be held at the same place at 5:30 o'clock.

THE New York Board of Fire Underwriters on Wednesday unanimously adopted the resolutions which were presented in August by a committee of which John H. Washburn was chairman, providing for changes in the methods of adjusting losses in the metropolitan district of New York. The changes are radical, as will be seen by their publication below. The president of the board, Mr. Whiton, is authorized to appoint the new committee on losses and adjustments, which will be largely composed of members of the old committee, and will serve until the annual meeting next spring. The resolutions embracing the new plan are as follows:

The committee on losses and adjustments shall have charge of the ascertainment of the amount of losses due under claims within the metropolitan district whenever more than three members are interested. When three members or less are interested the committee shall have power to take charge of the same if requested to do so.

The committee may employ a secretary, and such other assistants as may appear to them necessary, and may prescribe their duties and make rules for their guidance, and also make rules for the appointment and direction of adjusters.

Any member of the board may, in writing, personally signed by him, advise the committee in any particular case that he prefers to attend to his own adjustment, in which case he may do so through an adjuster approved by the committee, but the committee shall attend to the adjustment for all other members.

Adjusters entrusted with the ascertainment of losses within the metropolitan district for members of the board shall first be approved by said committee as to character, ability and integrity, and shall, if approved, be known as adjusters of the New York Board of Fire Underwriters. No member shall employ any adjuster for the ascertainment of any such loss who has not been first so approved, and is not at the time under suspension.

The committee shall have power to suspend any adjuster of the board on charges made against him for irregularities or improper conduct in the discharge of the duties assigned to him, and if such charges be sustained such suspension shall be permanent and immediately reported to the board.

The committee shall keep a permanent record of their proceedings and shall make a monthly report to the board.

Eight out of the eleven members of the committee must vote for the approval of an adjuster or he cannot be selected.

THE following are the special assignments for next Tuesday's meeting of the Boston Board of Fire Underwriters:

Ordinary Alteration and Repair Clause.—Privilege is granted to make ordinary adterations and repairs, it being expressly agreed and made a condition of this policy that extraordinary alterations, additions and repairs shall not be made in or upon the premises insured, or containing the property insured, and that, any custom of trade or business to the contrary notwithstanding, no paint or similar substance shall be removed by burning in or about said premises without the consent of this company indorsed on this policy.

Mechanics' Permit Clause.—In consideration of $..... additional premium paid therefor, and the warranty by the insured that no paint or similar substance shall be removed by burning in or upon the premises insured, or containing the property insured, without the consent of this company indorsed on this policy, permission is hereby given for mechanics to work in and about said premises for ——— months from date, to make alterations, additions or repairs; and this policy shall also cover all materials and supplies therefor, therein or adjacent, and said alterations or additions when completed.

To Add to the Present Valuation Rule.—In case of new buildings, if within six months after their completion a satisfactory statement of their cost is submitted to the secretary of the board, he may authorize the amount so determined to take the place of the estimate of two builders, as provided above, such authorization being qualified in the same manner as are the estimates made by said builders.

It is expected also that final action will be taken to promulgate the advanced rates on coal wharves and yards.

THE Department of State at Washington has received from Consul-General Mason at Berlin, under date of August 29, a translation of the imperial statute of May 12 last for the regulation and control of private insurance companies doing business in the German Empire, and the ordinance or proclamation of June 30 prescribing the conditions under which the new law shall be carried into effect. Its most important provisions, from an American point of view, are that it places all foreign insurance companies, whether fire, life, security or employers' liability, under control of a special bureau of the Imperial Government instead of, as hitherto, under a small office attached to the Prussian Ministry of the Interior; and that concessions to foreign insurance companies to do business in Germany are decided upon and signed by the Imperial Chancellor. Mr. Mason quotes impartial experts as expressing the opinion that under the statute as enacted any well organized, adequately capitalized and competently managed foreign insurance or security company will be able to secure a concession to do business in Germany.

A COURSE of thirteen lectures on the standard fire insurance policy will be delivered by Morris Putnam Stevens, LL.M., at the New York University's rooms, Washington square East, New York, on Fridays from 5 to 6 o'clock. The course will be essentially practical. Use will be made of the various blank forms, including standard stock policy, survey, proof of loss, agreement for submission to appraisal, mortgagee clauses, unoccupancy, gasoline and other privilege clauses. The latest decisions of the courts relating to premium, parties or persons in-

sured, time, amount, location, description, representations, warranties, loss or damage, insurable interest, usage and custom, entirety or divisibility of contract, measure of damage, appraisal, repair, agents, renewal, binders, cancellation, mortgagor and mortgagee, proof of loss, reinsurance, subrogation, limitation, waiver, etc., will be presented and their application considered. Enrollment may be made with L. J. Tompkins, registrar, at the University Building, entrance 32 Waverly place, at any time, or at the close of the opening lecture of the course. Fee, $12.50.

Much opposition is developing to the Western Union's mercantile schedule by cities and States which think they have something better or just as good of their own. A delegation from the Kentucky and Tennessee board attended the meeting of the governing committee at Chicago on Tuesday to ask for a change in the key rate in several Tennessee towns, where the loading is regarded as excessive. Their complaint was referred to a sub-committee with power to act. The flaw in their plea was that most of their argument was based upon the marked increase in rates the new schedule would make in Knoxville, but that is because most of the rates there are now on a competitive basis, which makes the comparison an unfair one. The Indiana State Board has asked that the schedule now in force in that State be permitted to remain undisturbed. They say that the field was rerated two years ago on a schedule that had been approved by the governing committee, and which was working reasonably well, and it would be hard to justify a change so soon.

The annual fall dinner of the Boston Life Underwriters' Association will be given at Young's Hotel next Wednesday, October 23, in honor of the meeting of the Actuarial Society of America taking place in Boston next week, and will be designated "actuaries' night." Addresses will be made by Mr. Oscar B. Ireland, president of the society, and Messrs. Joseph A. DeBoer, of the National Life of Vermont; John K. Gore, of the Prudential of Newark, and Emory McClintock, of the Mutual Life of New York. Acceptances have already been received from over twenty-five members of the society, among them Messrs. Marshall of the Union Central, Craig of the Metropolitan, Messenger of the Travelers, St. John and Pieler of the Ætna, Pierson of the Washington, Sartelle and Starr of the State Mutual, Smith of the John Hancock, Padlock of the Mutual Life, Van Cise of the Equitable, Welch of the Phenix Mutual, Buttolph of the Interstate, Dow of the New England Mutual, Nichols of the *Insurance Monitor*, and D. P. Fackler and R. E. Forster, consulting actuaries.

At the twenty-seventh annual meeting of the American Bankers' Association at Milwaukee on Tuesday, A. C. Anderson, chairman of the committee of fidelity insurance, submitted the report of that committee. It was stated that a standard form of bond had been provided, and nine surety companies were now prepared to furnish it. The report said:

Numerous and heavy as were the defalcations for the year 1900, it should be borne in mind that the combined office force of our members exceeds 30,000, and among those that were covered by corporate suretyship, for each bonded man that strayed from the path of rectitude there were over 900 that remained faithful. It is to be noted that the heavy defalcations last year were mostly by men not covered by surety bond. Without intimating that the companies do not, as a rule, pay their losses, we regret to report that during the year 1900 61 per cent. of the losses reported to us were resisted, contested or otherwise unpaid by the companies who had accepted the premiums, and issued therefor something that was called fidelity insurance, the losses to our members from this source being in a single year several times the average annual loss sustained by our members from the depredations of burglars, robbers and "holdups" since 1894.

The Kentucky State Board of Valuation and Assessment, composed of the Secretary of State, State Auditor and State Treasurer, has adopted as the basis of the franchise valuation of the various life insurance companies and the assessment for tax purposes, 25 per cent. of the receipts going to stockholders and to the surplus fund, capitalized at 6 per cent. A press dispatch says:

On this basis the Mutual Life insurance company of New York would have to pay an annual franchise tax to this State of $9,000, and this assessment being retroactive since the enactment of the franchise law of 1893, it would have to pay into the treasury $81,000. This is the only one of the companies on which the board figured to arrive at a basis. Counsel for the companies secured from the board permission to suggest at some time between this date and October 31 a different basis for arriving at the franchise valuation. No other State assesses a franchise tax against this class of corporations, and there is no precedent to follow in the matter. The question as to whether the franchise tax law applies to this class of corporations will be tested in the courts.

The Supreme Court of Illinois on Saturday refused the motion made on behalf of the notorious H. H. Klayer for a mandamus to compel Superintendent Yates, of the Illinois Insurance Department, to revoke the license of the Ætna of Hartford. The court took the broad ground that a private citizen has not the right of mandamus to compel performance of such a duty. The action, the court said, should have been brought through the Attorney-General. "The decision of the Supreme Court brings what is believed to be the final defeat of Klayer," says the Chicago *Record-Times*. "He has been indefatigable in his efforts to make trouble for insurance companies, and has trumped up trivial violations of the laws as an excuse for demanding heavy fines, one-half of which were expected to go to the informer." It is not likely that the Attorney-General will aid him in his schemes, and his credit is not such as will enable him to give the bonds required by the court.

The New York lodges of the American Legion of Honor, a fraternal society which has its headquarters in Boston, have become dissatisfied with the increase in assessments, and the efforts of Supreme Secretary Adam Warnock to pour oil upon the troubled waters have met with but a cold reception. Mr. Miller, the chief clerk of the order, said to a reporter a few days ago that the statement of a New York paper that there had been eighteen assessments in three months was entirely wrong, and that in all probability there would only be eighteen assessments during the twelve months. He said that the reason for the increase of assessments was perfectly plain, the membership having decreased, and the assessments consequently bearing more heavily on those remaining. The membership of the order at the end of 1890 was 62,574; by the end of 1900 it had decreased to 11,160, and on June 30 of this year to 8,618.

At Montreal a suit has been begun on behalf of the late Gat Howard, of Hartford, Conn., against the Temperance and General Life insurance company. Howard was one of the Canadian contingent which went to the war in South Africa and was killed there. His life was insured by the company for $10,000, and the defense is that the policy did not cover the war risk, although the condition was specifically waived in favor of the Canadian contingent. But the company claims that his service in the contingent had ended when he was killed and that then he was engaged as a scout. The counter claim of the plaintiff is that the company was aware of Howard's enlistment as a scout, and subsequently accepted the payment of a premium without protest.

An opinion has been filed by Assistant General Todd, of Ohio, in reference to the rights of domestic mutual fire insurance companies diametrically opposed to the opinion rendered in 1895 by Attorney-General Richards, in which he held that mutual fire insurance assessment associations had not the right to classify

their risks. Mr. Todd holds that such associations may classify their risks, both as to the amount of insurance to be granted on properties and as to the danger from fire on such insured properties, and the premium to be charged for such fire protection. In effect, this opinion, if sustained by the courts, places mutual fire insurance assessment associations on a par with other fire insurance companies in Ohio.

THE executive committee of the National Board will invite to meet in New York in November or December of the present year a representative of each of the following associations: The Western Union, South Eastern Tariff Association, New England Insurance Exchange, Underwriters Association of New York State and the Underwriters Association of the Middle Department, to consider the policy forms now in use with a view of making fire underwriting practice uniform under the direction of the executive committee of the National Board of Fire Underwriters. The committee to meet these delegates on behalf of the National Board will be F. C. Moore, chairman; Henry W. Eaton, John H. Washburn, E. O. Weeks and F. O. Affeld.

JACKSONVILLE, Fla., newspapers contain accounts of the efforts of T. L. McGowan, chairman of the insurance committee of the Jacksonville Board of Trade, to obtain subscriptions for his new Home Fire insurance company. "Mr. McGowan," says the *Times-Union*, "writes from New York that if the people of Jacksonville will demonstrate their confidence in the enterprise by subscribing to half of the capital there will be no difficulty in raising the remaining half in New York and other points. He states, however, that outside capitalists will be reluctant to take stock unless the Jacksonville people themselves show their faith by co-operating in the effort to form the company."

THE full bench of the Massachusetts Supreme Court in the cases of Mary E. Parker against the Farmers Fire and the Middlesex Mutual held that giving notice of a fire sixty-six days after its occurrence was not a compliance on the part of the plaintiff to use due diligence. The court sustained the defendants' exception, and the plaintiff loses two verdicts for $783 each. The same court also holds that Ursula La Pointe is not entitled to recover from the Boston and Maine Railroad for injuries sustained in attempting to alight from a moving train, as she knew the train was in motion. Plaintiff had obtained a verdict of $4,000 in the Superior Court.

A CONFERENCE has been arranged for between the fire underwriters of Pittsburgh and Recorder Brown, of that city, at which the need of an additional water supply will be discussed. The Pittsburgh *Commercial-Gazette* says:

> The underwriters desire to get their case before the authorities in time to have it considered when the annual appropriations are made, in February. They are not asking that all the improvements be made in one or two years. They suggest that more fire hydrants be put in downtown as speedily as possible, and that the 36-inch line on Duquesne way be extended immediately to connect with the feeder in Smithfield and Water streets. Then, that the city be bisected by the 8 or 10 inch crosslines as rapidly as possible.

THE decision of the lower court has been sustained by Judge Sanborn, of the United States Circuit Court of Appeals, that an oral agreement to place insurance is binding upon the company represented by the agent. E. S. Haines, who ran a jewelry store at Joplin, Mo., arranged with the local agent of the Fidelity and Casualty for $3,000 insurance on his stock, which was depleted by burglars that night to the amount of $5,000. He sued, holding that the oral agreement was binding, and secured a verdict for $2,970, the amount of the policy less the premium, and this has now been sustained.

THE annual report of the insurance commissioner of South Dakota has been received. Of the fraternal life insurance business Commissioner Shober says:

> Fraternal insurance, when conducted on plans which experience has demonstrated to be sound, and when honestly managed in the interests of the fraternity, has many features to commend it, especially to the people of limited means; but robbery under the guise of fraternalism is the most despicable class of brigandage, to prevent which should be one of the chief duties of this department. A rigid supervision of these orders will at once protect the membership and conserve the best interests of those concerns which are conducted on lines of business prudence and economy of management.

ACCORDING to the Supreme Court of Michigan, the conditions of the health and accident policy limiting indemnity to the time when the insured is confined to his bed and the house are invalid, the indemnity being due for the time he is unable to perform his regular duties through sickness or accident, even though he is able to be up and about. That was its finding in the case of John Hoffman, who had secured a judgment in the lower court for $150 against the Michigan Home and Hospital Association.

THE special committee on non-paying hazards last Saturday submitted to the New England Insurance Exchange a schedule for rating department stores and similar risks, base rate 50 cents, to be applied to mercantile risks of any description where approximately 15,000 square feet or more of floor area are devoted to the sale or display of open stocks and merchandise. The matter will be in order at next Saturday's meeting. At to-day's meeting the revised reduced rate clause will be in order.

SUITS have been begun against 337 policy-holders of the Security Mutual Fire insurance company of Omaha, Neb., which has burst up. These are the first cases brought under the law of 1897, passed by a Populist Legislature to make policyholders of a Nebraska mutual liable for its unpaid losses and all indebtedness. Over half of the defendants live outside of Nebraska. The proceedings come as a shock to their feelings.

ON a single premium payment of $5,000 the family of the late John Rochester Thomas, architect and builder, gets $200,000 from the Equitable Life Assurance Society. The family has elected to take $5,000 a year for twenty years and then $100,000 in a lump, rather than $130,000 in a lump sum now. Mr. Thomas died on August 27 at Westminster Park, Thousand Islands. He took out the insurance less than a year ago.

THE amount received by the Texas Insurance Department on account of insurance fees and taxes in the year ending July 31 was $146,357, according to Insurance Commissioner Johnson, who, in concluding his annual report, says: "I confidently believe that without change in the law affecting taxes we shall be able to show you during the next year of your administration fees and occupation tax exceeding $155,000."

THE Cincinnati stormy petrel, Simon Sturm, who has kept the business there stirred up so long, is making trouble again, and a committee from the Cincinnati board, headed by Secretary Harding, was in Chicago the first of this week to see what Manager Lermit, of the Northern, could do to bring him to time. The Northern is Sturm's principal company, and a threat of losing it has kept him straight in the past.

THE local agents at Elwood, Ind., who organized as a labor union and expected that the movement would sweep all over the country, have at last found an imitator after waiting over a year. The agents at Linton, Ind., have organized and applied for a charter to the American Federation of Labor. Their chief ob-

ject is to restrict the number of agencies and regulate the business.

The Mutual Reserve has remained out of Iowa for eleven months and out of Wisconsin for nearly four months, during which time, it need hardly be said, the association's business has suffered to some slight degree, but more inconvenience has been caused to the people of those States in being denied the privilege of protecting their lives in this company.—*Insurance Economist.*

An excellent example of unadulterated gall.

Increases in rates are considered for Cleveland. The Ohio Inspection Bureau is preparing to increase rates on lumber yards 25 cents, and iron workers to almost a similar amount. The local agents are protesting that the lumber business has been profitable, and that the increase is not justified by local conditions.

An application by the Mutual Reserve Fund Life Association for a new trial in the case of Leonora Barnett against the association, in which the jury gave the plaintiff $5,325 and the court made an extra allowance in her favor of 5 per cent., was denied by Justice Gaynor of the New York Supreme Court at White Plains, N. Y., on October 11.

The London *Post Magazine* speaks in complimentary terms of the addresses delivered at the annual convention of the local agents' national association at Put-in-Bay, saying that "they display an amount of ability and sound practical sense which is calculated to inspire fresh hopes for the future progress of fire insurance business in the United States."

Thirteen months in the penitentiary is what William F. Penn, of Rockford, Ohio, gets for using the United States mails to solicit business for the two wildcat fire insurance companies, the Western and Central Ohio of Toledo. Penn used old blanks, although the charters of the companies had been taken away years ago. The trial was at Cincinnati.

The entire United States business of the Helvetia Swiss of St. Gall, except that on the Pacific Coast, was reinsured last week by the Phenix of Brooklyn. Sumner Ballard was the intermediary in the deal. The Helvetia Swiss will probably continue business in this country, confining itself to surplus lines.

The London *Daily Chronicle* learns that a syndicate of tradesmen and others who would lose largely in the event of the coronation not occurring has effected an insurance upon the life of King Edward for a year for a very large sum at Lloyds' at the high rate of 10 guineas per centum.

The New England Insurance Exchange is revising the tariffs for Bridgeport, Conn.; Marblehead, Mass., and Addison and Chittendon counties, Vermont. It is hoped to promulgate the rates found under the application of the new uniform schedules for special hazards in a week or two.

The injunction which the Mutual Reserve Fund Life Association secured in the United States District Court in April last, to restrain the Illinois Insurance Department from revoking the license of the association to do business in that State, was dissolved by the court this week.

The Missouri State Life of St. Louis, now organized on the stipulated premium plan, is preparing to raise a capital of $100,000 and reincorporate as a regular company. It recently changed its name from the Safety Fund Life Association.

An order has been issued restraining the Lincoln Life and Accident company, of Minneapolis, from doing business pending an application for a receiver by Commissioner Dearth, who finds the concern, which operates on the assessment plan, in an unsatisfactory condition.

At the conference of the Methodist Episcopal Church at Beaver Falls, Pa., on Monday, a report from a committee on church insurance recommending that all church property be insured against fire and lightning was adopted.

The Royal Court, a fraternal from St. Joseph, Mo., and the Giant Oaks, of Kansas City, have consolidated under the name of the latter, the general offices to be in St. Joseph. The combined orders have 3,000 members.

Numerous changes are taking place in the Missouri town mutuals and several more are in process of organization. Only eleven of the fifty-six that were in existence when the laws were changed are now alive.

May be the Mutual Reserve's second vice-president could tell all about the Wisconsin conversion.—*The Standard.*

Our contemporary has the correct idea, but it begins with poor spelling.

At the annual meeting of the Underwriters Club of New York October 10, J. W. Bailey was elected president, Louis Windmuller vice-president, Russell A. Cowles secretary and H. Hall treasurer.

The demand for more insurance capacity in Chicago still increases, and John Naghten, who has lost several companies through retirements, is to represent the New York and Boston Lloyds.

The Colonial Fire of Washington, D. C., a West Virginia concern which claims $200,000 cash capital, has been licensed to do business in Minnesota.

Personal

Agency Appointments.

British American: E. J. & F. R. Pinney, Springfield, Mass.

Buffalo-German: A. M. Waldron, Philadelphia, Pa., sole agent.

Continental: D. I. A. LeBlaine, Worcester, Mass.

Michigan Fire and Marine: J. W. E. Bayly, Louisville, Ky., transferred from E. S. Tachau.

Michigan Mutual Life: Frank L. Woodruff, of Birmingham, Ala., general agent for Georgia.

Penn Mutual Life: Sid B. Redding, general agent for Arkansas, with headquarters at Little Rock.

Phenix Mutual Life: F. H. Cook, New Bedford, Mass.

Preferred Accident: Arthur L. Lyman, Springfield, Mass.

Prudential: Horace S. Bull, of Albany, N. Y., general agent for the ordinary department.

Prudential: Mortimer Richards, Springfield, Mass.

Security Mutual: Powers & Brush, Boston, managers for Massachusetts.

State Mutual Life of Worcester: Brownell & Burnham, of Burlington, State agents for Vermont.

Sun of London: Stafford, Goss & Co., Cleveland, Ohio, sole agents, other agencies being closed.

Sun of New Orleans: John C. Whitner & Co., of Atlanta, general agents for North and South Carolina.

Traders of Chicago: Charles R. McCabe, special agent for Northern Illinois, to succeed the late Frank Slavik, Jr.

Travelers: Capt. J. L. Dean, State agent for Kentucky, with headquarters at Louisville.

Union of London: W. B. M. Chase & Co., Fall River, Mass.

Ex-Insurance Commissioner John W. Brooks, of Connecticut, died suddenly from heart disease at Torrington, Conn., on Thursday, aged sixty-five years. He held the commissionership from July 27, 1880, to July 1, 1883, and subsequently for a number of years was one of the receivers of

the bankrupt Charter Oak Life insurance company of Hartford. At the time of his death he was vice-president of the Brooks National Bank of Torrington.

Mr. Herbert W. Bloomingston is announced as sole proprietor of the *Investigator*, of Chicago, on account of the death of his father, the late Dr. Bloomingston. He will also be business manager, while Mr. William Edward Beer, who has been acting editor the past three years, will be editor. It will be the aim of both the proprietor and the editor to maintain the *Investigator* as a high class insurance journal.

Ex-Chief Elisha Kingsland, who was the head of the volunteer fire department of New York in 1864, and was instrumental in securing the change to the paid department, of which he became chief, died at Bath Beach, L. I., October 11, after a short illness, aged seventy-eight years. Mr. Kingsland, after leaving the fire department, became an employee of the National Board of Fire Underwriters.

Mr. Peter P. Conroy, an insurance agent at Elmira, N. Y., representing several fire and life companies, committed suicide on Saturday morning by swallowing carbolic acid. He had forged the signature of a loss claimant on a draft sent to him to pay a claim, and had used the money. Being detected he put an end to his life rather than face the consequences.

Mr. Horace S. Bull, of Albany, N. Y., first vice-president of the National Association of Life Underwriters, who has represented the Home Life of New York for the past eight years as general agent, has accepted the general agency for the ordinary department of the Prudential of Newark at Albany.

Mr. Joseph B. Falk, one of the oldest fire insurance brokers and agents in the city of New York, died on Monday. He was born at Wurzburg, Bavaria, in 1827, and came to this country in 1848. He was prominent in Hebrew civic and social bodies. Three sons and a daughter survive him.

Mr. Edward Litchfield, former United States manager of the Lancashire, arrived in New York from England this week and was warmly received by his old friends. Mr. Litchfield declares that he is absolutely out of the insurance business and is here merely to visit relatives.

Mr. Duke R. Johnson, secretary of the late State insurance company of Nashville, Tenn., and since its retirement a local agent at Nashville, accidentally shot himself on Monday while handling a rifle and died from the effects of the wound Thursday morning.

Messrs. W. C. Magill & Co., of Chicago, have decided to dissolve partnership November 1, when E. E. Jaycox will withdraw and enter the agency of A. Loeb & Son. R. A. Magill, who has been with Rogers & Rollo, will go with his father.

Mr. A. K. Murray, manager of the newly organized Anchor Fire insurance company of Cincinnati, has gone to New York to complete arrangements for beginning business, says a Cincinnati special to the *Journal of Commerce*.

Mr. A. R. Thommasson, now special agent of the North British and Mercantile in Western New York State, is to be the general agent of the company for the Southern States, with headquarters at the New York office.

Mrs. John A. McCall, of New York, has been elected by the Federal World's Fair Commission to be one of the members of the Board of Women Managers of the Louisiana Purchase Exposition of 1903 at St. Louis.

Mr. R. Hope Addison, general agent of the New York Life for Canada, is to be transferred to New York at a largely increased salary, and the Canadian territory will be subdivided into several districts.

Mr. W. C. Beern, agency superintendent of the Western department of the London and Lancashire at Chicago, has resigned, the resignation to take effect January 1.

Mr. George W. Carleton, the book publisher, who died October 11, was a member of the board of directors of the Equitable Life Assurance Society.

Mr. George C. Pratt has been elected a director and treasurer of the New Amsterdam Casualty Company.

Mr. William H. Dixon, insurance agent at Lowell, Mass., died there October 9, aged fifty-one years.

Mr. John Howley is to join Mr. John E. King in the local agency business in New York city.

Miscellany.

Sylvester C. Dunham Elected President of the Travelers Insurance Company.

At the regular monthly meeting of the board of directors of the Travelers insurance company, held in Hartford on Monday, which was fully attended, Vice-President Sylvester C. Dunham was elected president of the company to fill the vacancy caused by the death of James G. Batterson. The selection of a vice-president was referred to a committee, which will report at the next monthly meeting. It is understood that the choice may lie between James G. Batterson, Jr., manager of the liability department of the company at New York, and Major E. V. Preston, who has been with the company since he emerged from the civil war thirty-six years ago, and has been its superintendent of agencies since 1867. The following is a sketch of the new president:

Sylvester Clark Dunham was born in Mansfield, Conn., April 24, 1846, of New England ancestry. He was descended on his mother's side from Elder William Brewster, one of the Pilgrims who came over in the Mayflower, and had five ancestors in the Revolutionary War. The family removed to Ohio in 1857, and he passed his boyhood on a farm in Portage County on the Western Reserve. He was educated in the public schools, spent a year in Mount Union College, Ohio, and taught school during several winters.

Mr. Dunham returned to Connecticut in 1868 to study law with the Hon. Charles E. Mitchell, of New Britain, since United States Commissioner of Patents. While reading law he was the editor of the New Britain *Record* and clerk of the New Britain City Court. He was admitted to practice in 1871, and after his admission he was associated for twelve years in practice in Hartford with the Hon. Henry C. Robinson; in 1882-83 he was city attorney of Hartford.

He became counsel for the Travelers insurance company in 1885, and chosen on the board of directors in January, 1897, and became vice-president in 1898. He has had general supervision of the legal department of the company.

Mr. Dunham is a director in several corporations; a member of the Sons of the Revolution, and of the Society of Mayflower Descendants and of several clubs.

He has traveled throughout the United States and Mexico and in Europe. His United States travel was principally in the early '80's, for Eastern capitalists having mining interests in Utah, Arizona and California, and since that time for the Travelers insurance company in connection with its investments and other interests in the West and South.

Mr. Dunham was married October 18, 1877, to Mary M. Austin, daughter of Dr. James H. Austin, of Bristol, and has one son, Donald Austin Dunham, a junior in Yale University.

The Firemen's Exhibition at Berlin—The Gamewell Fire Alarm Apparatus Carries Off the Prize.

At the "Exhibit of Apparatus and Appliances for Preventing and Extinguishing Fires" held at Berlin from May 15 to September 15 of this year the Gamewell Company of New York was the only manufacturer of fire alarm apparatus to receive a gold medal, although there were many exhibits in that line, manufacturers in all parts of the world having been invited to compete.

It is worthy of remark that although electrical science in its earlier development received greater attention in Germany than other countries it remained for American inventive genius to outstrip that of all other nationalities in the especial department of the science in which the Gamewell apparatus excels.

Consul-General Frank H. Mason, at Berlin, reporting to the Department of State under date of September 17 upon the Firemen's Exhibition at Berlin, in which he alludes to "the very complete and handsome display made by the Gamewell Fire Alarm Telegraph Company of New York," says:

An American visiting this exposition without any special antecedent knowledge of the condition and methods of fire extinguishment in Europe would be likely to have brought away certain very distinct impressions. The first of these would have been the discovery that hand labor plays a far more important part in the economy of fire control in Europe than in the United States. Here were hand fire engines, not only of old and primitive patterns as historical relics, but new and of handsome construction, in all the glory of gilding, paint and polished metal, machines which have been obsolete in all except remote country towns of the United States for more than a quarter of a century, but which still form part of the equipment of large European cities. Hand stretchers, two-wheeled ambulance couches for propulsion by hand, and a number of other fixtures show that the age of labor saving machinery by horse, steam and electric power has not yet come in these older countries.

Secondly, all vehicles, hose carts, ladder wagons, steam and chemical engines are, in respect to running gear, far heavier and more clumsy than those in use in the United States. The fire engines themselves, in point of boiler capacity, pump efficiency and engine energy, are smaller by half than those of American

types; but the wheels, axles and frames on which they run are of great weight and solidity. It is to be said, of course, that the American engine must run farther, faster and to a much greater number of more dangerous fires than the European, and that they do wear out in a few years, while the German or Austrian or Russian built fire engine should last for generations.

There were in the whole exhibition but two locomobile fire engines, but these were of excellent model and efficiency and were exhibited by a German maker.

Finally the impression is everywhere enforced that all this paraphernalia is designed for and adapted to the requirements of cities and towns in which the buildings are practically fireproof, and in which a large majority of such conflagrations as do occur are confined to the room or at worst to the floor in which they originate. The wooden built, shingle roofed dwelling, the inter-urban lumber yard and planing mill, the frame block with wooden stairways—all these are unknown in these older countries, and the peril of conflagration in cities and towns is correspondingly decreased.

Perils of Marine Underwriting.

(William Allingham in Chambers' Journal.)

Shipmasters are encouraged by the underwriters to do their utmost when danger threatens. A skillful master, ably backed up by a competent crew, may save the underwriters many thousands of pounds. Some of the repairs effected at sea under critical conditions are amazing. Such actions on the part of captains are meritorious, and are not forgotten by the underwriters. A four masted sailing ship of 3,134 tons register, the Liverpool, was almost swamped by a sea not long since, in 42 degrees S. 17 degrees E., while running before a gale. All her charts, chronometers and her nautical instruments were washed overboard. For several days her crew were engaged in baling out water which had got into the hold through the smashed hatches. Fortunately one small compass was left. By the aid of this, and the use of the log, Capt. Owen Lewis brought this fine ship to within four days' sail of Calcutta. Then he obtained the exact geographical position from a Norwegian bark, and proceeded to his destination. The underwriters concerned subsequently presented the captain with a purse of 100 guineas. A well-known steamship in the New Zealand trade, the Tokomaru, Captain Maxwell, of the Shaw-Savill and Albion Company, broke her tail shaft when 500 miles from Rio Janeiro, homeward bound. After eight days and nights of unremitting toil her crew succeeded in repairing the damage, and she returned to Rio under her own steam. Had the propeller fallen off while the men were at work in the confined space of the shaft tunnel drowning was certain. The value at risk was £200,000. Assistance of other steamers offering to tow the Tokomaru into port was declined, and the underwriters thus saved a bill of £5,000 for salvage services. Captain Maxwell was presented with a check for 150 guineas and a letter of congratulation; Chief Engineer McEachran received a similar sum, together with a gold chronometer watch, and 500 guineas were divided among the remaining officers and men.

Delay caused by quarantine at certain places is vexatious and expensive. Underwriters have covered this risk at about 2 guineas per cent., on the understanding that in the event of a ship being thus detained they would pay £30 per day for a maximum number of ten days. Under the new French grain tariff ships bound from Pacific ports of the United States to France with grain were a source of anxiety. A few hours even might make a difference of thousands of pounds to those interested in the cargoes. Underwriters accepted the risk. In some cases they contracted to pay 90 guineas per cent., and in other cases as though the vessel was actually a total loss if she did not arrive before midnight on a specified day. This is a form of gambling, but it is sometimes urged that all marine insurance is of a speculative nature in so far as the underwriters are concerned. A still nearer approach to gambling is attained by what is termed an "honor" policy. The person insuring has to rely solely upon the honor of the underwriter accepting the risk, inasmuch as such policies are not recognized by the law of this country. Quite recently a person obtained an insurance of this description on a steamer, and the underwriter eventually refused to pay. The vessel was to be paid upon as a total loss should she not reach Japan on or before a certain date.

Rumors of war have a marked effect upon the rates of premiums. When the Fashoda incident was approaching a satisfactory settlement the rate for insurance against risk of war with France dropped from 25 guineas to 10 guineas per cent. The Spanish-American war made business brisk for underwriters, but the claims were very few. Underwriters refused to pay on the steamship Restormel, captured by the United States ship St. Paul, and subsequently released by the prize court. She was insured for £15,000 against total loss, and her owners abandoned her to the underwriters, who refused to carry out their contract on the ground that she was not a total loss, and the contraband nature of her cargo had been concealed from them. A settlement was arrived at in court under which the underwriters paid £4,500 and taxed costs. Underwriting is just a business requiring tact, discretion and a knowledge of ships and human nature. Big frauds on underwriters are rare under modern conditions, but they are still subject to considerable unnecessary loss from minor claims.

Underwriters know fairly well the average time occupied by a ship in making a passage between any two given ports. Should a ship exceed this average, it behooves an underwriter to reconsider his position. He may reinsure her at a slightly increased rate, or he may prefer to abide the result. As the interval increases the rate rises. Very frequently from 80 guineas to 90 guineas per cent. have been paid for reinsurance, only to learn later that the ship has arrived in port. After many days have elapsed without any tidings of a ship, varying, of course, with the voyage on which she is engaged, the vessel is regarded as overdue. Some time later, no news of her having been received during the interval, she is posted as missing, and the underwriters pay without a murmur.

Underwriters who accept such exceptional risks are known as the "doctors." They have some very exciting experiences at times. In 1897 sixteen vessels arrived at their destination on which 50 guineas or more had been paid for reinsurance, three of them being sailing vessels. An American ship, the T. F. Oakes, was 259 days making the passage between Hong Kong and New York, a voyage accomplished in 1895 by the British ship Alcides in eighty-three days. Underwriters who paid 90 guineas per cent. to shift their risk on this vessel had the luck against them. Nevertheless a comparison of the two ships' passages goes far to justify uneasiness. The T. F. Oakes changed her name, but not her star, for she became a total loss next voyage.

Co-operation Between Fire Underwriters and the Insured.

(The Independent.)

From time to time considerable has been publicly said about a system of investigation of every fire back to its cause, but not enough has been said, for to discover the causes of fire waste is the first step toward lessening it, and agitation must go on until a suitable "fire coroner law" is common on State statute books. It is gratifying to note that several trade organizations have undertaken for themselves to look into the causes of fires in their own particular trade. Thus the drug trade, dissatisfied, as everybody ought to be, with the high cost of insurance, took action by an inquiry from a committee of the New York Drug Exchange, asking of the members information about fires. Dissatisfaction, we say, ought to be general, but instead of spending itself in complaint of the underwriters (who in any large degree are no more responsible for fires than the thermometer is for the temperature) it should direct itself to the fires which cause the high rates. For it cannot be too often pointed out that an insurance company is in essence only a number of separated and unacquainted persons who pool sums into a common fund, which is managed by a corporation, and that corporation, as such, is only tax collector, pool holder and guarantor of the sufficiency of the assessed rate.

It was said at the last annual meeting of the Fire Protection Association that good had clearly come from direct and frank consultation between committees of the association and makers of preventive devices. Why (it was asked) cannot something be done toward ascertaining the cost of fires, as well as their causes, by a coming together of property owner and underwriter! A former president of the association reported that risks on rubber and shoe factories had been changed from unprofitable to profitable (to the guarantors, of course) by means of a study of causes, and at largely reduced rates of premium. He therefore declared as his opinion that "the interest of the companies from a purely selfish standpoint lies in improvement of risks; that profit is made in eliminating the causes of fires, increasing facilities for extinguishing them, and not in advancing rates." This is a sound view, and the annual address which cited it suggested that the line of conduct indicated might be pursued

yet further. Why should not the study of fires in certain classes be carried on with the help of the insured, and "why should not the basis rate for a certain class be agreed upon by a committee composed of representatives of the class and the underwriter?"

This is in the direction of what we have repeatedly urged; that friction between underwriter and insured, as well as the constant harassing of insurance by legislatures, is because companies and the public are not in touch, so that the subject is not understood. The initiative toward coming together must necessarily be taken by the underwriters, and hence every sign of recognition of this by them is encouraging.

Interesting Comparisons.

At the annual meeting of the Boston Associated Board of Trade, held at Young's Hotel Monday night, the committee on insurance and building laws made the following interesting report:

The only important change in the building laws of this city during the last twelve months was the statute permitting the erection, outside of the building limits, of second class buildings without limit as to size, provided that such buildings are to be used as iron foundries or for working in metals. Otherwise the limit of area for such second class buildings is as before—8,000 square feet.

Second class buildings are brick buildings—not fireproof.

The change was made in order that these industries, which especially require a large ground area, might not be driven out of Boston and into neighboring towns and cities where such restrictions as to area did not exist.

This is an instance at hand pointing to the importance of metropolitan building laws and emphasizing the wisdom of the establishment of a metropolitan district for the purpose of harmonizing all such questions of interest common to Boston and the towns and cities which surround it—a measure that has been steadily endorsed by this board in the past and one which we believe has its unqualified approval to-day.

The fire waste of a city is primarily dependent upon its construction and, as an indication of the importance to us of strict building laws and the faithful enforcement of them, the following statistics are interesting and instructive.

They are comparisons of the annual fire loss of Boston with that of certain Europeans cities. Cities which are not in danger of sweeping conflagrations from such areas of flimsy and combustible construction as threaten every town in this country.

We are perhaps the richest as well as the most wasteful people in the world. To-day we may be able to foot the bills of our improvidence, but this condition is only temporary. We must eventually suffer from our blind extravagance.

Wealth and waste may for a time make merry together, but they can never become permanent bedfellows.

Boston, population 500,000, fire loss of 1900	$1,400,000
Paris, population 2,500,000, average loss for five years	1,350,000
Berlin, population 1,900,000, average loss for five years	1,002,000
Budapesth, population 620,000, average loss for five years	234,000
Milan, population 500,000, average loss for five years	106,000

	Per Capita Per Annum.
Loss in Boston is nearly	$3.00
Loss in Berlin is nearly	.53
Loss in Paris is nearly	.52
Loss in Budapest is nearly	.38
Loss in Milan is nearly	.20

Of course, the difference in climate must be especially taken into consideration in the case of Milan, but the amount of loss by fire in Boston may be safely figured at about six times that of the leading cities of Europe, and every cent of this waste comes out of the pockets of its citizens.

Official Reports.

Mississippi Auditor's Annual Report—Important Recommendations.

State Auditor W. Q. Cole, of Mississippi, who has supervision of insurance in that State, has issued his biennial report, in which he makes several important recommendations. He says:

Realizing the importance to the people of the insurance, banking and building and loan business, and the total inadequacy of our present laws pertaining to these matters, I heartily recommend the establishment of a separate department of insurance and banking in charge of a commissioner, who shall have the power to examine and supervise all insurance, banking, investment, mortgage, building and loan or other like companies, corporations, associations or orders, whether joint stock, mutual or fraternal assessment, and whether domestic or organized under the laws of other States or governments transacting or to be admitted to transact business in this State.

Every business transacted in this State that is required to have the authority or certificate of a State official should be subject to an official investigation and examination, and be required to render reports sufficiently often for the officer to know what he is certifying to. Over $3,000,000 in premiums for insurance of all kinds was paid by the people of Mississippi in 1900—to say nothing of debenture companies', bond investment companies' and building and loan associations' transactions, and yet our laws governing these matters are extremely lax, affording practically no protection to either the legitimate concerns or to the people.

A separate department of insurance and banking can be established and operated without expense to the taxpayers by the collection of a scale of fees from the concerns under the department, and these fees be less than those demanded by most of the other States.

I believe our present licenses and taxes required of insurance companies to be unfair, and think they should be made more equitable.

I, therefore, recommend the following scale:

For each license issued to a life insurance company, $250.
For each license issued to a fire insurance company, $200.
For each license issued to an accident company, $200.
For each license issued to a marine company, $200.
For each license issued to a surety company, $100.
For each license issued to a plate glass company, $100.
For each license issued to a boiler company, $100.
For each license issued to a live stock company, $50.
For a license issued to all other companies, $100.

All of said insurance companies should pay a tax of 2 per cent. upon the amount of gross premiums derived from insurance business obtained from residents of this State or on property located therein. Full and correct statements, under oath, of such amounts should be rendered the commissioner by every company, and the said tax paid within the first fifteen days of February and August of each year. This plan would be more equitable and yield a larger revenue.

The Auditor recommends a State fire marshal law, and that all bonds of State officers be made through guarantee companies, the cost to be paid by the State.

QUEEN
Ins. Co. of America.
New York.

Phœnix Mutual Life Insurance Co.
OF HARTFORD, CONN.
ORGANIZED IN 1851.

Assets, January 1, 1901 ..... $13,278,711.73
Surplus at Four per cent 564,656.73

Total Paid Policy-holders over
—$42,500,000—

ACTIVE AND INTELLIGENT MEN WANTED AS AGENTS, with whom liberal contracts will be made. Desirable territory now open.
The new plans of the Company are brief, clear and liberal. Life and Endowment Policies have endorsed upon them definite cash, loan, and paid-up values, and in case of lapse, insurance is extended without action on the part of the insured.

J. B. BUNCE, President. J. M. HOLCOMBE, Vice-President.
C. H. LAWRENCE, Secretary.
New York Office: Weed & Kennedy, Managers, 149 Broadway.

Provident Savings Life Assurance Society

OF NEW YORK.

EDWARD W. SCOTT, PRESIDENT.

THE BEST COMPANY FOR POLICY HOLDERS AND AGENTS.

SUCCESSFUL AGENTS, AND GENTLEMEN SEEKING REMUNERATIVE BUSINESS CONNECTIONS, MAY APPLY TO THE HEAD OFFICE, OR ANY OF THE SOCIETY'S GENERAL AGENTS.

German American Insurance Company New York

29th ANNUAL STATEMENT, JANUARY 1st, 1901.

Cash Capital,	$1,000,000.00
Reserve for all Liabilities,	3,408,569.64
Net Surplus,	4,267,711.70
TOTAL ASSETS,	$8,676,281.34

THE Fidelity and Casualty Company,

97-103 CEDAR STREET, NEW YORK CITY.

Assets, $4,435,558.87. Surplus, $1,107,870.54.
Losses Paid to June 30, 1901, $13,478,114.16.

CASUALTY INSURANCE SPECIALTIES:

Bonds of Suretyship for persons in positions of trust, Personal Accident, Plate Glass, Boiler, Elevator, Employers' and Landlords' Liability.

OFFICERS:

GEORGE F. SEWARD, President.
ROBERT J. HILLAS, Secretary and Treasurer.
HENRY CROSSLEY, Assistant Secretary.
FRANK E. LAW, Second Assistant Secretary.

The Agricultural Insurance Company of Watertown, N. Y.

ESTABLISHED 1853.

Assets, January 1, 1901	$2,283,558.42
Total Liabilities, except Capital	$1,240,017.87
Joint Stock Capital	500,000.00

National Fire Insurance Company,

HARTFORD, CONN.

JAMES NICHOLS, President. B. R. STILLMAN, Secretary.
H. A. SMITH, Assistant Secretary.
HEAD OFFICE, 95 Pearl Street, Hartford, Conn.

WESTERN DEPARTMENT.
FRED. S. JAMES, General Agent.
G. W. BLOSSOM, Asst. Gen'l Agent.
Office, 174 La Salle St., Chicago.

PACIFIC DEPARTMENT.
GEO. D. DORNIN, - Manager.
GEO. W. DORNIN, Asst. Manager.
Office, 409 California St., San Fran.

Established 1782.

Phœnix Assurance Company,

OF LONDON.

FIRE INSURANCE ONLY. LOSSES PAID OVER $100,000,000.
Head Office for the United States, 37 Liberty St., N. Y.
A. D. IRVING, Manager. E. B. CLARK, Asst. Manager.
LOUIS P. BAYARD, 2d Asst. Manager.

Procure Protect Provide

ROBERT E. PATTISON, Pres.
THOMAS BRADLEY, 1st Vice-Pres.
GEO. B. LUPER, 2d Vice-Pres. & Gen'l Mgr.

The Security Trust and Life Insurance Co.

Principal Office, - - Broadway and 26th St., N. Y.

CAPITAL (full paid) - **$500,000.00**

Assets, $1,478,133.51. Assets to Liabilities, 165 Per Cent.

AGENTS **Should write** the Company for prospectus, rates, etc., for its new and unique **Combination Life, Endowment, Accident, Health and Annuity Policy**

A policy embracing all features and benefits indicated by its name.
Issued only by this Company.

SECURE TERRITORY GOOD CONTRACTS

Western Assurance Company.

HEAD OFFICE: TORONTO, CANADA.

INCORPORATED 1851.

Hon. GEO. A. COX, President.
J. J. KENNY, V. P., and Managing Director.

UNITED STATES STATEMENT, JANUARY, 1901.

Assets	$2,016,370.78
Surplus in United States	638,430.59

1825. THE 1901.

Pennsylvania Fire Insurance Co.

OF PHILADELPHIA.

Cash Capital,	$400,000.00
Re-insurance and all Liabilities,	2,771,038.56
Surplus,	2,163,883.97
Total January 1, 1901,	$5,334,922.53

R. DALE BENSON, Prest. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Prest. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

HANOVER

Agencies in all the Principal Places in the United States.

Fire Insurance Company
OF NEW YORK.

Northern Assurance Company,

OF LONDON, ENGLAND.

EASTERN AND SOUTHERN DEPARTMENTS,

38 PINE STREET, NEW YORK.

GEORGE W. BABB, JR., Manager. T. A. RALSTON, Sub-Manager.

When Working for The Mutual Life...

You needn't introduce the Company—the Company introduces you. There you have it. You needn't take a minute or a word to prove where The Mutual stands or what it stands for. The whole world knows its masterful leadership—just as you know it yourself. But there are some things you may not know.

DO YOU KNOW

That **The Mutual Life** is especially helpful to agents?
That **The Mutual Life** writes the most liberal policies?
That **The Mutual Life** gives the highest guarantees?
That **The Mutual Life** has policies that meet every requirement of investment as well as of protection?

Look into these things. Take no one's say so, but investigate,

The Mutual Life Insurance Company

OF NEW YORK,

RICHARD A. McCURDY, President.

IT IS THE LARGEST FINANCIAL INSTITUTION IN THE WORLD.

Income in 1900, - - - $60,582,802.31
Assets January 1, 1901, - - $325,753,152.51

It has room for workers who are not rebaters. Address

GEORGE T. DEXTER,
Superintendent of Domestic Agencies,
NEW YORK.

Lion Fire Insurance Company,

84 QUEEN ST., CHEAPSIDE,
LONDON, ... ENGLAND.

United States Branch: Hartford, Conn.

The Lancashire Insurance Company

OF MANCHESTER, ENG.

MILTON DARGAN, Manager,

25 Pine Street, NEW YORK.

The Preferred Accident Insurance Co.

OF NEW YORK.

Accident Policies. Health Policies.

Large Benefits, Low Rates, Best Commissions.

December 31, 1899:

Assets,	$779,385.45
Surplus,	365,124.30

KIMBALL C. ATWOOD, Sec'y, 290 Broadway, NEW YORK.

The Largest Fire Insurance Company in Germany.

MAGDEBURG FIRE INSURANCE CO.

Of MAGDEBURG, GERMANY.

ESTABLISHED 1844.

United States Branch, Magdeburg Building, 17 William Street, New York.
PAUL E. RASOR, Manager. AD. DOHMEYER, Ass't Manager.

The Mutual Benefit Life Insurance Co.

NEWARK, N. J.

AMZI DODD, - - PRESIDENT.

ASSETS (Market Values) Jan. 1, 1901	$74,311,468.25
LIABILITIES, N. J. and N. Y. Standard	68,186,103.34
SURPLUS	6,125,364.91

MUTUAL BENEFIT POLICIES
—CONTAIN—
Special and Peculiar Advantages
WHICH ARE NOT COMBINED IN THE
POLICIES OF ANY OTHER COMPANY.

Scottish Union & National Ins. Co.

ESTABLISHED 1824.

No. 35 St. Andrew Square, Edinburgh, Scotland.
No. 3 King William Street, E. C., London.

United States Branch: Hartford, Conn.

National Life Insurance Company of Vermont.

J. C. HOUGHTON, President.
JOS. A. DE BOER, Vice-President.
O. D. CLARK, Secretary.

THIS COMPANY HAS GAINED IN THE LAST DECADE,

In Assets, . . . $12,275,109.34, or 160.96 per cent.
In surplus, ... 1,089,332.69, or 119.47 per cent.
In insurance, . . 48,102,491.00, or 93.64 per cent.

Sells the Most Modern, Profit-Sharing, Non-Forfeitable Contracts of Life, Term, Endowment and Annuity Insurance. Correspondence from interested parties promptly recognized. Good agency contracts for reliable men.

J. F. MAKLEY, General Manager,
149 Broadway, New York.

The Union Central Life Ins. Co.,

CINCINNATI, OHIO.

Assets, January 1, 1901, ... $26,440,297.28
Surplus, ... 3,693,343 46

No Fluctuating Securities. Largest Rate of Interest. Lowest Death Rate.
Endowments at Life Rates and Twenty Payment Guaranty Policies Specialties.
Large and increasing Dividends to Policy-holders. DESIRABLE CONTRACTS and GOOD TERRITORY open for LIVE Agents.
Address JOHN M. PATTISON, President.

THERE ARE FEATURES IN THE FIFTY-THIRD ANNUAL REPORT OF

The Penn Mutual Life Insurance Company

Of interest to all engaged in life insurance work.
A copy on request.

THE PENN MUTUAL LIFE INSURANCE COMPANY,
921-925 CHESTNUT STREET, - PHILADELPHIA.

TO BE FAITHFUL

...To Policy-holders and Agents

is the motto of the management of the Union Mutual. To serve all interests impartially. To treat all parties with consistent candor. To issue policies of pronounced liberality To make all death payments with the utmost promptness. To be fair in all dealings.

Honest, capable Agents can always have employment with us.

Union Mutual Life Insurance Co.

Portland, Maine.

INCORPORATED 1848.

FRED E. RICHARDS, President. **ARTHUR L. BATES, Vice-President.**

Address either { EDSON D. SCOFIELD, *Supt.*, 1110 Am. Tract Society Bldg. 150 Nassau St., New York City. THORNTON CHASE, *Supt.*, 84 Adams Street, Chicago, Ill.

Connecticut General Life Ins. Co.,

HARTFORD, CONN.

Assets, January 1, 1901..... $3,765,824.33
Liabilities..... 3,416 031.86
Surplus to Policy-holders..... $349,792.67

This Company offers a Policy having liberal provisions for Cash Values, Paid-Up Insurance, Residence and Travel, with Ample Security. Active and Experienced Agents Wanted.

R. W. HUNTINGTON, Jr., President. E. B. PECK, Assistant Secretary
F. V. HUDSON, Secretary. JAMES A. TURNBULL, Actuary.

London Assurance Corporation,

CHARTERED A. D. 1720.

SURPLUS IN U. S. JAN. 1, 1901, $838,698.68

CHAS. LYMAN CASE, Manager.
4 PINE STREET, - - - - - - NEW YORK.

PHENIX INSURANCE COMPANY,

OF BROOKLYN, N. Y.

NEW YORK OFFICE:
47 CEDAR ST.

The Massachusetts Mutual Life Insurance Company,

INCORPORATED 1851.
SPRINGFIELD, MASS.

ASSETS - January 1, 1901..... $26.245,622.04
LIABILITIES..... 23,920,986 53
SURPLUS..... 2,324,635.51

Definite Paid-up and Cash Surrender Values written in every Policy.

JOHN A. HALL, President. HENRY M. PHILLIPS, Secretary.

New York Office: Empire Building, 71 Broadway.
GEORGE J. WIGHT, Manager.

Provident Life and Trust Co.

OF PHILADELPHIA.

The best in Life Insurance is likely to be the cheapest. The same fidelity, skill and care which are necessary to guarantee the future security of a company result in the lowest cost. A good test, therefore, is to determine whether the organization and the surroundings of a company exclude all doubt as to future security. In determining this the question of cost is determined also. **THE PROVIDENT LIFE AND TRUST COMPANY** invites inquiry as to its organization and the provisions for safety afforded. For the full period of its existence the death rate has been only .614 of the rate indicated by the authoritative tables.

Germania Fire Insurance Co.

Southeast Corner of William and Cedar Streets, New York.

STATEMENT, JANUARY 1, 1901.

Cash Capital..... $1,000,000.00
Reserve for Unearned Premiums..... 1,563,778.00
Reserve for Losses under adjustment..... 81,571.61
Reserve for all other Claims..... 42,475,49
Net Surplus..... 2,275,975.38
Total Assets..... $4,963,800.48

HUGO SCHUMANN, Prest.

FR. VON BERNUTH, GEO. B. EDWARDS, } Vice-Presidents. CHARLES RUYKHAVER, sec. GUSTAV KHER, Asst. sec.

1846—1901.

THE CONNECTICUT MUTUAL LIFE

Insurance Company.

WHERE THE CONNECTICUT MUTUAL STANDS.

During all the long struggle out of which this situation has developed, and amid the many schemes devised to attract public attention and favor to something else than life insurance, the attitude and position of the Connecticut Mutual have never been doubtful.

It has held to the cardinal facts: Life insurance is for the protection of those dependent on a man's life; their dependence makes it his unavoidable duty. Those dependents we assume to protect by our contract, at his personal cost; our duty to them is to make that protection as large, as secure, and as certainly available to them as possible; our duty to him is to make its cost to him as small as possible.

JACOB L. GREENE, President. **HERBERT H. WHITE, Secretary.**
JOHN M. TAYLOR, Vice-President. **DANIEL H. WELLS, Actuary.**

The Metropolitan Life Insurance Co.

(INCORPORATED BY THE STATE OF NEW YORK.)

"The Leading Industrial Insurance Company of America,"

IS REPRESENTED IN ALL THE PRINCIPAL CITIES OF THE UNITED STATES AND IN CANADA. THE PAYMENT OF OVER 250 DEATH CLAIMS DAILY TELLS OF THE GOOD IT DOES. INSURANCE IN FORCE OF OVER $900,000,000 ATTESTS ITS GREATNESS AND FAVOR WITH THE PUBLIC.

Permanent, Profitable and Progressive Employment.

AGENTS WANTED—Any honest, capable, industrious man, who is willing to begin at the bottom and acquire a complete knowledge of the details of the business by diligent study and practical experience can, by demonstrating his capacity, establish his claim to the highest position in the field. It is within his certain reach. The opportunities for merited advancement are unlimited. All needed explanations will be furnished upon application to the company's superintendents in any of the principal cities, or to the Home Office, No. 1 Madison Avenue, New York City.

JOHN R. HEGEMAN, President.

HALEY FISKE, Vice-President. GEORGE H. GASTON, Second Vice-President. GEORGE B. WOODWARD, Secretary. J. J. THOMPSON, Cashier and Assistant Secretary. JAMES M. CRAIG, Actuary. JAMES S. ROBERTS, Assistant Secretary. STEWART L. WOODFORD, Counsel. THOS. H. WILLARD, Medical Director. A. S. KNIGHT, Assistant Medical Director.

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.

FOUNDED 1792.

Assets, January 1, 1901		$9,583,791
LIABILITIES—Reserved for Reinsurance and all other claims	$4,805,254	
Capital Stock	3,000,000	
Surplus over all Liabilities	1,778,537	$9,583,791

Agents in all the principal towns and cities.

CHARLES PLATT, President. EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. BENJAMIN RUSH, Second Vice-President.
T. HOUARD WRIGHT, Marine Secretary. JOHN B. ATWOOD, Assistant Secretary.

Offices in New York: Fire, William and Pine Sts.; Marine, 63 Wall St.

We Offer to Mail, for the Postage,

To Any Fire Insurance Agent

"How to Build a Home."	156 pp.	Post. 4c
"How to Build Fireproof and Slow-Burning,"	132 pp.	" 5c
"Plans and Specifications for Economical Dwelling Houses, Barns, Etc."	75 pp.	" 6c
"The Relation of Fire Insurance to the Community."	32 pp.	" 2c
"What Constitutes a Safe Electrical Equipment."	Leaflet,	" 1c

CONTINENTAL INSURANCE COMPANY,
46 CEDAR STREET, - - NEW YORK

ÆTNA

LIFE INSURANCE CO.

MORGAN G. BULKELEY, PRESIDENT

Largest Company in the World doing Life, Accident and Health business

ASSETS, OVER . . . $56,000,000.

MOWRY and PATTERSON, Managers Life Department.
GEORGE C. STERLING, Manager Accident Department.

Continental Building, 46 Cedar Street, NEW YORK CITY.

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

VOL. LXV. SATURDAY, OCTOBER 26, 1901. No. 17.

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All communications should be addressed to THE WEEKLY UNDERWRITER, 58 William Street, New York.

Checks and money orders should be made payable to the order of THE WEEKLY UNDERWRITER.

THE excellence of the principle embodied in the civil service system of appointments is recognized in the Metropolitan Life insurance company. The best men are sent to the front. Mr. George B. Woodward, secretary of the company, after seven years in that office, becomes third vice-president, a new executive position created by the board of directors. His life insurance experience covers twenty-three years, and how valuable it has been to the three companies with which he has been connected is evidenced by his steady advancement toward the top. Mr. Woodward is an actuary of uncommon ability, a charter member of the Actuarial Society, but a practical business man besides. The place he vacates is taken by Mr. James S. Roberts, who has been assistant secretary the past three years. He has been an industrial insurance worker since he was twelve years of age, and received the grounding of his insurance education in the great Prudential of London. From his organizing mind largely comes the admirable accounting system of the Metropolitan Life, with its hundreds of superintendents and thousands of agents throughout the country. The new assistant secretary is Mr. T. R. Richardson, selected for conspicuous merit. The official staff of the Metropolitan Life is effective in all its parts.

IT will be remembered that the news of the readmission of the Mutual Reserve Fund Life Association into Wisconsin made its first appearance in the columns of our respected contemporary, *Insurance*, and was coupled with its assertion that the action of the Wisconsin commissioner was based upon his satisfaction with the examination of the association made for the Iowa department by Mr. Beehler, whose report had been shown to Mr. Giljohann. Our contemporary is understood to stand high in the confidence of the officers of the association, and its positive statement of the way in which the association got back into Wisconsin did not need the confirmation it subsequently received from the *Insurance Economist*, the association's organ, to be accepted as true by such of the public as were interested in the matter. We have read, therefore, with some surprise the letters which appear in the latest issue of the *Insurance Post* from Commissioner Dearth, of Minnesota, in which he informs the editor that he has the assurance of Commissioner Giljohann that the report of Mr. Beehler had no influence upon the relicensing of the Mutual Reserve Fund Life in Wisconsin, and that only on the understanding that the association would undergo an examination in which he would take part, was it permitted to resume business in the State. We quote from Mr. Dearth's letter, as follows:

> I would state, however, that I am in receipt of advice from Commissioner Giljohann, of Wisconsin, to the effect that the statement which has appeared in the insurance press—that a renewal license to the Mutual Reserve Fund was granted in the State of Wisconsin, after an interview with Mr. Beehler, and upon the strength of the report of his examination—was incorrect; that he never had any conference whatever with Mr. Beehler in regard to his examination of the Mutual Reserve, the association simply having filed a certified copy of the same with his department; that said renewal license was issued by him (Giljohann) to the Mutual Reserve Fund Life for the balance of the year, with the understanding that his department will take part in an examination in the near future, which duly substantiates my opinion as set forth in my letter of the 9th.

There is a strange conflict of testimony here, but if it be true, as Mr. Giljohann says, that *Insurance* was in error in stating that the Beehler report induced him to readmit the association, and that the real reason was its promise to submit to a satisfactory examination, then it must follow that the managers have receded from the position which they took when the Minnesota and Wisconsin departments demanded access to the association's books in June last, and are now willing that Mr. Wolfe shall make that drastic inquiry into its condition past and present, and into the transactions of its past and present managers, which was intended at that time. The policyholders would doubtless be glad to have some positive information on the subject, and it should be forthcoming at once from the managers or from our esteemed contemporary, if it can find out from them.

A COMPARISON of the annual statements of business by the various life insurance companies is instructive, principally because it will demonstrate the measure of successful management of each. The table appended herewith illustrates one phase of this subject and shows the relative cost of conducting four life insurance companies of New York which are doing a general business throughout the United States and in several foreign countries. The substantial evenness of the percentages of the first three companies and the phenomenal variance of that of the fourth from them induces an inquiry into the reasons for the difference. We find on examination of the tabular statement that the ratio of cost of office management to total income of the fourth company is 400 per cent. greater than that of either of the other companies, and that the ratio of total expenses to total income is nearly twenty-five per cent. greater. But remarkable as these differences are they are outdone by those of the real estate exhibits. The average value of the real estate of the Mutual Life for five years was $22,350,627, and the repairs and expenses, less taxes thereon, were 9.7 per cent., or 1.94 per cent. per annum. The Equitable Life's valuation averaged $40,080,637, with a yearly cost of 1.42 per cent., and that of the New York $16,878,050, with a yearly cost of 1.02 per cent. for expenses and repairs. On the other hand, the statement of the Mutual Reserve Fund Life for December 31, 1892, showed a real estate valuation of $41,531, which on De-

cember 31, 1900, had grown to $576,086. There was no cost of maintenance reported until 1896, since which time—that is, the years 1896 to 1900 inclusive—the cost has been $444,180, or 80 per cent. of the valuation. These figures are so out of proportion to what they should be, apparently, that the inference is irresistible that either the figures of cost of maintenance have been used to cover other expenditures or the association is loaded up with real estate that is not worthy of being classed as an asset. If Mr. Beehler were a competent examiner he would have seen that real estate which in four years cost as much to keep in repair as the amount of its total valuation was not an available asset; but that gentleman was not on a voyage of discovery, but rather one of recovery. The following are the comparisons:

1896 to 1900, inclusive.	Mutual Life.	Equitable Life.	New York Life.	Mutual Reserve Fund.
Total income	$278,344,811	$255,717,947	$237,650,342	$28,600,014
Salaries and all other compensation to officers and other office employees	3,370,757	3,491,543	3,277,307	1,636,724
Total expenses (less taxes and expenses of real estate)	53,278,605	41,604,460	46,712,143	7,376,434
Per cent. of salaries to total income	1.2	1.4	1.4	5.7
Per cent. of total expenses to total income	19.1	16.3	19.6	25.7
Average value of real estate	$22,350,627	$40,080,637	$16,878,050	$552,653
Repairs and expenses on real estate	2,178,583	2,833,179	858,721	444,188
Taxes on real estate	1,172,894	1,631,848	921,395	45,276
Per cent. of repairs, etc., to valuation	9.7	7.1	5.1	80.4
Per cent. of repairs, etc., to valuation, including taxes.	14.9	11.1	10.5	88.6

THE recent amalgamations of fire offices in England and the rumors of others that are impending, have brought sharply into view there the dearth of underwriters capable of taking the higher positions in the business. That this absence of first-class men exists is evident from the inability of companies to find the required talent in their own staffs and their taking refuge in union with other companies which have managers of recognized ability at their head. The British insurance press is discussing the situation with some perturbation, and various reasons for it are advanced by writers; one, for example, explaining that for years directors have been giving the important places in their offices to persons who have no insurance training and are favored simply because they can command business from their commercial friends. Another writer holds that directors have left everything to the fire manager, and with the growth of business have been more or less contented with gross results, and have known nobody but the chief, with the consequence that when death or retirement removes him they are helpless in their ignorance, and clutch at the chief of some other company, who has made a reputation, and if he will not come to them, they go to him. Viewing the dilemma of our British cousins from this side, we should say that a great part of their trouble arises from the dominance of directors in the underwriting affairs of their offices. These worthy gentlemen are, as a rule, persons who have made their money in other kinds of business than insurance, but who flatter themselves that they are quite capable of understanding underwriting offhand. In this country the practice prevails of trusting the direction of affairs to the officers and making them responsible for the results. The directors of companies seldom interfere with the underwriting side of the business. The effect is to produce a race of self-reliant, practical and adequate men to deal with the business. There is no trouble to find the right man to take charge of a company if it loses its official head. It may be added that the so-called "American invasion" of England is not likely to continue without the participation of some of our progressive companies. It is known that overtures have been made to one of the largest New York companies to establish branches there for direct business, and the proposition is not being unfavorably considered. American competition will do a good deal toward breaking up conditions in company management which our contemporaries across the sea sadly deplore.

Facts and Opinions.

AN Associated Press dispatch from London says that the officials of the British insurance companies are "astonished" at the recent report of United States Consul-General Mason, at Berlin, to the State Department at Washington, expressing the opinion that under the imperial insurance law of May 12 last, for the regulation and control of insurance companies doing business in the German Empire, any well organized, adequately capitalized and competently managed foreign insurance or security company will be able to secure a concession to do business in Germany. Meetings were held in London on Tuesday by British companies contemplating withdrawing from Germany. The managers of these companies state that they are in exactly the same box as the Americans, and that they regard "the alleged concessions made by Germany in response to the United States protest as practically worthless, and as being so stringent as to be almost prohibitive." They add that the time limit in which foreign companies should elect to accept or reject Germany's terms expired this month, but they understood that it had been extended to 1902 on account of the refusal of practically all the British and American firms to consent to accept the terms. In the meanwhile the British firms hope to secure the British Government's assistance in alleviating what they consider to be the continued unfairness of the regulations governing foreign insurance companies in Germany. The British managers are apparently under the belief that in this effort they will have the support of a similar endeavor in the United States on the part of the American companies not now doing business in Germany.

THE semi-annual meeting of the Actuarial Society of America was held at the Lenox, Boston, Thursday and Friday of this week, with an attendance of about forty and President Oscar B. Ireland in the chair. At the morning and afternoon session Thursday the papers of the May meeting were discussed and the following named treatises presented: "Formulas of Approximate Summation, Applied Especially to the Calculation of Temporary Annuities and to Their Corresponding Assurances," A. C. Washburn; "An Analysis of the Institute Faculty Experience, Male Lives, New and Old Annuities," I. Smith Homans; "A Review of the British Life Office's Tables," Arthur Hunter; "Some Principles Which Should Influence the Grading of Commissions," M. H. Peiler; "Endowment Insurances, Mortality Experience," A. S. Wing. The Friday morning session was the last of the series and was devoted to business. The society was the guest of the New England Mutual Life at luncheon Thursday and Friday and had its own dinner Thursday evening, with President Stevens of the New England as a guest.

APROPOS of the discussion going on at present in England as to the cause of the disappearance of fire insurance brains in the managerial departments of British companies, the following communication is printed by the Manchester *Policy-Holder:*

DEAR SIR—"Are there no available men left who are capable of filling the chief positions in the fire insurance world?" Your query, Mr. Editor, is, I venture to say, the spoken thought of all insurance men to-day. If there are no such capable men, are not the directors and general managers themselves to blame for bringing about this state of things? Are they not reaping what they have been sowing for some years, viz., giving the high places in the profession to gentlemen who have had no insurance training whatever, but who simply step in to such positions as branch managerships on the strength of the promise of business from their commercial friends? What consideration have directors had for the trained man? Are there not plenty of such men—energetic, hard working, and quite capable of procuring business and at the same time holding their position with dignity to the profession? What is the ambition of the rising insurance generation? Of what use are institutes and federations when directors draw the limit line for the trained man, and what is the prospect if directors take such an immoral course of action?

Yours, &c., FIAT JUSTITIA RUAT CŒLUM.

THE governing committee of the Western Union is disposed to insist that its mercantile schedule shall be applied by the large cities in its field, despite their protests. It declares that in most cases where it is claimed that the schedule works inequitably no fair test has been given. When Mr. Langham, of Louisville, appeared before the committee, he said that the new schedule had been tried in a few cases only and that he had no special fault to find with the results, but he thought that the mercantile was rather circumlocutory and complicated, compared with the local schedule. The committee advised him to have the mercantile schedule applied to eight blocks just as they come, so as to get a fair average and compare the result with the Louisville rates and then come back. Some members of the committee are disposed to question the application of the Louisville schedule. In one risk under comparison it was found that an allowance of 25 cents had been made for a man sleeping upstairs, and the committee could hardly believe that any schedule should provide for such a credit as that.

A RECEIVER of the assets of the Tarrant & Co. corporation, the wholesale druggists of Jay street, New York, has been appointed. The appointment was made on the application of the officers of the corporation. A report in a daily paper says:

The liabilities are over $30,000, and the assets $20,028, consisting of cash in bank, $2,601; cash on hand, $273; book accounts, $6,260; notes due the corporation, $2,110, and stock and fixtures, $8,775. Of the liabilities $15,267 is for a deficiency arising from the foreclosure of the mortgage on the building formerly owned by the corporation at Greenwich and Warren streets, on a leasehold on which judgment may be entered at any moment. At the time of the explosion it was said that the insurance on the building was $100,000 and on the stock $65,000. The corporation had not been able to collect the insurance when, in June last, suits, it is said, were begun against the insurance companies to recover the amount of the losses. Soon after the explosion the corporation reopened at 21 Jay street, where the entire building was leased and fitted up. The business is a very old one, having been established in 1834. The business was incorporated in 1861, and the capital stock now is $32,000.

THE reduced rate clause, which has been in process of revision by the New England Insurance Exchange for some weeks past, received its final form last Saturday, and, as adopted, reads as follows:

In consideration of the reduced rate at which this policy is issued, it is expressly stipulated and made a condition of the contract that, in event of loss, this company shall be liable for no greater proportion thereof than the amount hereby insured bears to —— per cent. of the actual value of the property described herein at the time when such loss shall happen, nor for more than the proportion which this policy bears to the total insurance thereon; provided, however, that if the aggregate claim for any loss shall not exceed five (5) per cent. of such actual value, no special inventory or appraisement of the undamaged property shall be required.

If this policy be divided into two or more items, then the foregoing conditions shall apply to each item separately, and if two or more buildings or their contents be included in a single item, the application of the provision as to special inventory or appraisement shall be limited to each building and its contents.

THE Illinois Insurance Department is trying to complete the suits begun by former Attorney Hull of the Insurance Department, under which he secured the imposition of fines and writs of ouster against several unadmitted insurance companies of other States for doing business in Illinois without a license. Attorney Rowe has employed L. J. Behan, son-in-law of Attorney Hull, to follow up the cases. He has been in Indianapolis making an effort to collect from the Indiana Underwriters, against which fines were assessed, and as he could not accomplish it by personal application, he has brought suits in the Indiana State courts to enforce the judgments entered in the Illinois courts. There is no certainty that this procedure will be sustained on the basis of a quo warranto action, but if it is it will go far to stamp out the wildcats.

AT the fall business meeting of the New England Women's Life Underwriters' Association, held at the Hotel Bartol, Boston, on October 18, the delegates of the association to the Portland meeting of the National Association of Life Underwriters reported their impressions of that session. The members take the position that the national association is beneficial to all agents and that the meetings of the local associations do much to improve the general tone of things. It was voted to give a banquet in January and to invite a number of prominent life underwriters. The annual election of the association will be held next month, and Mrs. V. B. Peakes, Mrs. Florence E. Shaal and Miss Harriet A. Farrar were appointed a committee to nominate officers.

THE Attorney-General of Oklahoma has issued a warning to the public that the Interstate insurance company, of Chicago, and Underwriters, of Dallas, are soliciting business in the Territory without authority. He says of them sharply:

They are simply sneaking into the Territory to steal what business they can and then go out with what they have gotten, leaving the insured without any guarantee whatever that any compensation will follow damage by fire. It will not do for the agents of these companies to say that the company they represent will pay for a loss, because any insurance company that sneaks into this Territory and solicits business without authority of law is too dishonest and corrupt to pay a dollar unless compelled by law so to do. This office will co-operate, whenever necessary, with the county attorneys of the several counties, and aid all it can to drive these scoundrels out of the Territory and keep them out.

THE *Coast Review* mentions two suits begun in California against the Mutual Reserve Fund Life, one by Daisy D. Jacobs, at Oroville, for $5,000, due on the life of her husband, who was insured by the Northwestern Life of Chicago; the other at San Francisco by the widow of Louis G. Weisshaar, who was drowned near Nome, Alaska, last September, also for $5,000. This policy was one of the legacies from the Covenant Mutual, which was reinsured by the Northwestern Life, which was reinsured by the Mutual Reserve Fund. The defendant claims that the policy is loaded with a debt of $2,000, while the plaintiff alleges that when proof of loss was first presented the association agreed to settle in full less $600.

Perhaps the most satisfactory feature of the whole business was the way in which it re-entered Wisconsin. The commissioner of Wisconsin showed himself to be as broad minded in the matter as his brother officer in Iowa. After a personal investigation of the examination made by Mr. Beehler, the Iowa examiner, he accepted the results without harassing the company by a separate investigation. He did just what the spirit of the Federal Constitution and repeated resolutions of superintendents' conventions called for. He gave full faith and credit to the official finding of Iowa.—*The Insurance Monitor.*

BUT the Wisconsin commissioner says that he did not readmit the Mutual Reserve Fund on account of the report of Mr.

Beehler, but because the association consented to an examination by the Wisconsin department in the "near future."

THE Metropolitan Life has beaten ex-Superintendent McNall, of Kansas, in its suit to recover the back taxes of two per cent. which that official extorted from the company during his incumbency of the insurance department. The suit was brought in the District Court of Shawnee County, Kan., and has just been decided, the court giving the company a judgment for $1,515. McNall paid the taxes into the State Treasury, and the State, under the decision, will have to return the money. Other insurance companies which were victimized will doubtless file suits.

CIRCULAR letters soliciting business are being sent out by C. H. Haight & Co., 35 Broadway, New York, representing themselves as agents of the Star Fire and Burglary insurance company of Glasgow, Scotland. This concern has no license to do business in New York, and does not appear to have any standing in Great Britain, for its name does not appear in the list of reputable companies published in the Post Magazine Almanac. Such a company was registered, however, in 1900, in Scotland with a capital of £1,000, in £5 shares. It is probably a wildcat.

A BILL in equity has been brought in the Supreme Court at Boston by George H. Messer et al. against the grand lodge of the Ancient Order of United Workman of Massachusetts et al. to test the legal right of the defendant to pay money received from the assessment of its members to the supreme lodge of the Ancient Order of United Workmen, a Texas corporation, and also the right of defendant to make the change from level assessments to the step rate plan recently adopted and to go into effect November 1.

ACCORDING to a ruling by Commissioner Dearth, of Minnesota, just announced, the 80 per cent. co-insurance clause cannot be lawfully applied to buildings in that State because it conflicts with the valued policy law, even though the statutes expressly provide that equipped buildings shall be exempt. This ruling should be a help in securing the repeal of the valued policy law, as it will enlist the business men and manufacturers desiring to avail themselves of the cheaper rate under the co-insurance clause, against the law.

THE line on the Union Stock Yards, at Chicago, amounting to $1,310,000, is being placed just now by Moore & Janes. There are eighty-three items in the general form, with specific insurance on many of them, the average rate being 2 per cent. The insurance covers the pens, runways, sheds and buildings belonging to the Stock Yards Company. The line would be harder to place than it is were it not for the fine fire protection service maintained by the city and packers conjointly.

THE New Amsterdam Casualty Company has decided to enter upon burglary insurance in the West, and has appointed James I. Loeb, of Chicago, general agent for that line in Cook County, the appointment taking effect as soon as the company is licensed to write such insurance in addition to its present lines. President Moore is following the policy of appointing resident agents on a salary in all the large cities to look after the liability and accident business.

A THREE alarm fire sounded from Box 52, Boston, caused damage estimated at $40,000, most of which was sustained on the stock of rubber goods owned by Parker, Holmes & Co. and stored on the third floor of the building numbered 11 to 15 Milton place. The insurance attaching aggregates $287,500, and George W. Hinkley, George W. Eastman, Charles F. Simmons and H. S. Wheelock have been appointed a committee to adjust the rubber goods loss.

THE contract of L. C. Lawson & Son as Ohio State agents of the Mutual Life expires January 1, when the State will be divided into four districts, as follows: Northeastern, with headquarters at Cleveland, Frank Adams, manager; Southwestern, with headquarters at Cincinnati, S. M. Broadbury, manager; Eastern, with headquarters at Columbus, E. C. Paine, manager, and Northwestern, with headquarters at Toledo, Charles E. Holt, manager.

THE efforts to organize a local Insurance Exchange at Atlanta have failed because some of the older agents declined to co-operate and some agents in the movement could not agree upon a suitable platform. The Exchange had actually been organized, with John Whitner, president; E. S. McCandless, vice-president, and J. S. Raine, Jr., secretary. No deposits were put up, and although several meetings were held nothing was accomplished.

THE Missouri State Life, an old assessment concern which is reorganizing on the legal reserve basis, will be required by Superintendent Wagner, of the Missouri Insurance Department, to increase rates on certain classes of assessment policyholders which are shown to be paying inadequate rates. This is precedent to licensing the company on the new basis.

THERE is to be a conference of Western Union and Pacific Coast managers at Denver over the disputed question of joint control of the mountain district, and Eugene Cary of the German-American, A. J. Harding of the Springfield Fire and Marine and I. S. Blackwelder of the Niagara Fire have gone West to represent the governing committee of the Union.

A SPECIAL cable to the *Journal of Commerce* from London says that on Wednesday meetings were held by the shareholders of the Phœnix and Atlas companies, and the provisional agreement of amalgamation entered into by the directors was confirmed, subject to the approval of the accounts by the Board of Trade. The companies will be amalgamated as of October 1.

THE attorney of the notorious Klayer has discontinued the seventeen suits which were begun by the informer at Springfield, Ill., against the Ætna, Fire Association of Philadelphia, Phenix of Brooklyn and Springfield Fire and Marine, on account of his inability to give bonds to guarantee the costs of the litigation.

THE manager of the Wisconsin association of local agents has settled the rate war that has been raging at Beaver Dam, has reorganized the local board and has secured pledges from all the agents to stand for rates and good practices hereafter. The town is to be re-rated.

AMONG the loan orders passed by the Boston Board of Aldermen last Monday was one appropriating the sum of $30,000 for an engine house on Parker Hill in the Roxbury district, the inhabitants of which have been complaining of insufficient protection since a recent fire.

AGENTS of the London and Lancashire in Colorado, Wyoming and New Mexico and for the Orient of Hartford in Colorado and Wyoming will report to San Francisco after October 31. Heretofore that territory has been tributary to Chicago.

A SPECIAL dispatch from Duluth reports that a policy for $20,000,000, covering all the property of the Northern Pacific,

has been written by an agency of that city. It is a renewal of the policy of the Western Railway Syndicate.

THE Fire Underwriters Club of Ohio, recently organized at Columbus, has elected as officers A. G. Sanderson of the Ætna as president; H. M. Gibbs, vice-president; Glen S. King, treasurer, and Neal C. Rowland secretary.

THE new department store schedule, submitted by the special committee on non-paying hazards on October 12, is on the calendar for action at to-day's meeting of the New England Insurance Exchange.

THE agents of the Mutual Life in Chicago and Cook County have formed an organization with S. J. Bellamy as president and H. C. Pegram as secretary. There are about seventy-five members.

THE matters under consideration by the Boston Board of Fire Underwriters, quoted in last week's paper, will be in order at next Tuesday's meeting.

THE Boston agency of the Williamsburgh City Fire will be transferred November 1 from Fred Porter to George O. Carpenter & Son.

THE Niagara Fire of New York has applied for membership in the Western Factory Association.

Personal

AGENCY APPOINTMENTS.

Ætna: P. P. Tucker, special agent, with headquarters at Dallas.

Ætna Indemnity: L. E. Wood, Fall River, Mass.

Citizens of St. Louis: Donigan & Saunders, Lawrence, Mass.

Equitable Life: William Curry Hoffman, Cleveland, Ohio.

Fidelity and Casualty: James Howard, Fall River, Mass.

Indianapolis Fire: J. J. Coffey & Co., of Chicago, managers for Cook County.

London and Lancashire: Joseph Givernaud, special agent for New England, succeeding J. V. Fothergill, who becomes agency superintendent of the Orient.

Maryland Casualty: E. J. Griffith, resident manager at Indianapolis.

Mutual Benefit Life: Nathan Kaufman and Clifford W. Darby, State agents for Missouri, succeeding Edward Fowler, resigned, after forty-three years' service.

National Life of Vermont: F. A. Tolman, Fitchburg, Mass.

New York Life: R. T. Shumate, of Atlanta, special agent.

Northwestern Mutual Life: L. M. Wise (formerly of the Hanover Fire), Chicago, Ill.

Pennsylvania Fire: Louis A. Lent, special agent for Ohio and West Virginia.

Potomac Fire of Washington: E. E. Brown, Worcester, Mass.

Prussian National: Walter H. Dale has resigned from the Manchester Fire to become special agent for Iowa, Minnesota, Nebraska, Kansas and Missouri, with headquarters at Omaha.

Reading Fire: A. C. Stocker, Minneapolis, Minn.

United States Casualty: Henry T. Mott, of St. Louis, general agent for Missouri.

Mr. Joseph A. Kelsey has been appointed by Manager Schroeder United States branch manager of the Aachen and Munich Fire insurance company from January 1, 1902. His headquarters will be in New York. The business in the West will be under the charge of a general agent with headquarters at Chicago. Mr. Charles M. Slocum will be assistant manager under Mr. Kelsey. The latter has been with the company since 1897, when he organized the Western department, of which he became manager. Mr. Kelsey has been one of the foremost of the fire underwriters of the West, and has served the Insurance Company of North America in Iowa and Indiana, and was assistant manager of the Western department of the Royal from 1890 to 1897. He will be welcome in New York.

Messrs. Adolph Loeb & Son have been appointed sole agents of the Merchants insurance company of Newark in Chicago and Cook County, taking effect November 1, and from that date will have supervision of the company's business in that territory. E. E. Jaycox, for the last five years a member of the agency firm of W. C. Magill & Co., retires on November 1 to become identified with the office of Adolph Loeb & Son, and will be given the title of general agent of the Merchants for Cook County.

Mr. W. F. Merrill, Jr., secretary of the Underwriters' Laboratories, addressed the Fire Insurance Club of Chicago Tuesday night on "The Rules and Regulations of the National Board Governing the Electrical, Gasoline and Acetylene Hazards, and Subjects of Fire Protection." The talk was not nearly so ponderous as the long title might suggest, and the numerous questions asked of the young expert showed how keen is the interest in the subject in the club.

Mr. Simon Sturm, of Cincinnati, who was notified by Manager Lermit, of the Northern, that he would have to take up his agency unless he entered the Cincinnati Board, has informed Mr. Lermit that he has made an unconditional application, and is awaiting the action of the committee.

Mrs. John M. Holcombe, of Hartford, has been appointed by the Federal World's Fair Commission, on the nomination of Exposition Commissioner Betts, one of the members of the Board of Women Managers of the Louisiana Purchase Exposition of 1903 at St. Louis.

Mr. James L. Fogg, one of the best known life underwriters of California, died at San Francisco, October 12, from the effects of a sudden stroke of paralysis. He was sixty-five years old, and a native of Maine, but had lived in California over a quarter of a century.

Mr. J. B. Lockhart, representative of the loan and real estate interests of the Travelers insurance company in the Northwest, died at Fargo, N. Dak., October 20, from a stroke of paralysis.

Insurance Commissioner Cutting and his office associates were in Pittsfield, Mass., last week making examinations of the Berkshire Life and the Berkshire Mutual Fire insurance companies.

Mr. James H. Duvall, Jr., formerly Baltimore general agent of the Fidelity and Casualty Company, died October 11 from nervous prostration, aged forty-eight years.

Mr. Thomas Hyde has been chosen president of the Riggs Fire insurance company, of Washington, D. C., succeeding W. S. Thompson, deceased.

Mr. John M. Sperry, of Des Moines, Ia., who was formerly president of the Burlington insurance company, died October 12, aged sixty years.

Mr. Lee H. Vance, for many years engaged in the insurance business at Clarksburg, W. Va., died there October 13, aged forty-three years.

Messrs. St. Julian Ravenel & Co., of Atlanta, have resigned as general managers of the Maryland Life for Georgia.

President Washburn, of the Home, has been making a tour of the Western field.

Miscellany.

Actuaries Entertained in Boston.

"Actuaries' Night" of the Boston Life Underwriters' Association was celebrated at Young's Hotel last Wednesday evening and attracted an attendance notable both in magnitude and quality. The meeting of the Actuarial Society of America in Boston this week had been seized upon as an excellent means of distinguishing the opening fall meeting of the Boston association by inviting the men learned in figures as guests.

After a sumptuous dinner, interpolated with vocal and instrumental music, President Appel extended a cordial welcome to the visitors in felicitous terms. He regretted to announce that Mr. Emory McClintock, of the Mutual Life, who had been expected to speak, was prevented from attending by an indisposition. He then presented Mr. Oscar B. Ireland, president of the Actuarial Society. Mr. Ireland began in a jovial strain, assuming that actuaries were a necessary evil in the belief of many agents, but allowed that inasmuch as the actuary had preceded the agent and laid the foundation for his work, the latter had not much cause for complaint. He noted that many expressions in Shakespeare seemed to fit excellently well into the scheme of life insurance, and quoted a number of expressions in support of that view which greatly pleased his hearers.

Mr. John K. Gore, actuary of the Prudential, was next introduced, and immediately put the gathering into the best of humor by a series of witty sallies delivered with an expression of most imperturbable gravity, which enhanced their effect. Reverting to a serious strain, he maintained that though the actuary may often err on the side of safety, he has the best interests of the company at heart, and that means the best interests of the agents. He believed that the great majority of the workers in the life insurance field, be they agents, doctors or actuaries, attended faithfully to their duties, and ended his remarks with the hope that good fortune might smile on everyone and that their endowment policies might mature in time to insure a good comfortable old age for all.

Mr. Joseph A. De Boer, vice-president and actuary of the National Life of Vermont, held that the problems which ex-

isted in Massachusetts and other States ten years ago had been solved. The actuary has developed and extended his work on liberal, sound and progressive lines. After the work of half a century the institution of life insurance is better and stronger and bigger than ever before. During that period the amount outstanding has been increased a thousand fold and the assets fifteen hundred times. The actuary has been lifted from a narrow rut to wider activities, substituting facts for things not known and demonstrations for impressions. In the selection of risks to-day the moral as well as the medical influences are recognized, and the forms of life insurance protection have been gradually applied to the wants of civilized society as we find it. The voices raised against this adaptability will not prevail; there is always someone who objects to the substitution of the better for the good. Mr. De Boer concluded his remarks with a eulogy on the heroic work of the life agent who performs his duty well armed with knowledge, courage and resourcefulness.

The last speaker of the evening was Mr. W. D. Wyman, of Chicago, the recently elected president of the National Association of Life Underwriters. Mr. Wyman dwelt on the idea that a man's duty to humanity can only be learned through association and pleaded for active and enthusiastic work to bring the good men not now identified with the National Association into its fold. Upon the conclusion of Mr. Wyman's remarks, the gathering sang "America" and dispersed well pleased with the experiences of the evening.

The Life Underwriters' Association of New York—First Autumnal Gathering at the Hotel Earlington.

The first meeting and banquet of the season of the Life Underwriters' Association of New York were held at the Hotel Earlington, West Twenty-seventh street, near Broadway, New York, on Tuesday evening. The selection of the place of gathering was fortunate, as the fine building in which it took place is one of the most centrally located in the city and perhaps the most easy of access of any of its kind. The cuisine and attendance were excellent.

The business meeting was held at 5:30 o'clock p. m. and was followed by the banquet, at which over one hundred gentlemen sat down. President Frank Kohler occupied the chair. When the after-dinner exercises were formally opened he called upon Mr. George A. Brinkerhoff, chairman of the executive committee, to introduce Mr. Elmer P. Ransom, who entertained the guests with a sleight-of-hand performance, which was concluded by the unfurling of the American flag while the "Star-Spangled Banner" was played. President Kohler then requested all to rise and drink to the President of the United States.

In his preliminary remarks President Kohler expressed his appreciation of the large attendance at the first meeting of the association for the season, and referred with pride to the good-fellowship existing among the life insurance agents of New York.

The report of the delegation to the National Association was then read by President Kohler, in which he said that the New York delegation was composed of eleven members, and the percentage of those present was larger than that shown by any other local body. Referring to the election for the presidency of the national body, he said it was no secret that the New York association gave a loyal support to the New York candidate for president of the National Association, Philip H. Farley, of the Mutual Life. The nomination fell to Mr. W. D. Wyman, of Chicago, the vote of the nominating committee being 13 2-5 votes in his favor to 10 3-5 votes in favor of Mr. Farley. The selection of Mr. Wyman caused no hard feeling, however.

The president called attention to the fact that the New York association had not shown interest in the competition for the Calef and Williams trophies and suggested that the literary minds of the association enter the lists of competitors with a firm determination of capturing both prizes. As chairman of the New York delegation, he expressed the thanks of the New Yorkers to their Portland hosts for the many enjoyable social features presented to the delegates and guests when relaxation from business permitted. "The Pine Tree State and her Jewel City of Portland," he said, "may well be proud of the zeal and energy displayed by her loyal sons of the Maine Association, and only the nervous tension and vague fears which came to everybody when it was learned that the beloved ruler of our nation was in peril of death brought to an abrupt end the program of entertainment so lavishly provided by the local association, and prevented the indulgence in the banquet and post-prandial proceedings which had been so well provided for." The courtesies shown the delegates by the Union Mutual Life insurance company were acknowledged.

Among the speakers set down on the program was ex-President I. Layton Register, of the National Association of Life Underwriters. He was, unfortunately for his audience, prevented from being present, but his remarks were not lost, as President Kohler, after paying the following tribute, requested Mr. Yereance to read the address:

It is occasionally in evidence that when the recipient of a high and honorable office serves out his term, be it in full measure of success or marred by misadventure, there is a cessation of interest either on the part of the ex-official or, perhaps, on the part of his late constituents, or sometimes on both sides, but in my hope of presenting to you the honored guest who should have next addressed you, it pleases me to say that although the hour for the setting of his star has been reached, we see no diminution of lustre or lack of attractiveness in personality.

Proud of the record he has made in National Association work, we do not propose to say that his effective and magnetizing powers shall enter the eclipse.

The impress of his executive ability will continue to be in evidence for years to come, and our association has honored itself in asking him to be our guest to-night as a tender of fellowship and good will for all time to come.

REMARKS BY EX-PRESIDENT REGISTER.

Ex-President Register's remarks were as follows:

If an uninitiated observer could look upon this pleasing scene of good-fellowship his natural comment would be: "Well, here's a happy family party," and never distrust for a moment that we were rivals in business. Nor are we rivals in the harsher meaning of the word. The underwriters' associations have softened it, and we call each other friends, friendly rivals. This is as it should be. But we must expand and make room for others, for it would be selfish to enjoy this happy condition exclusively.

There can be no real success in the life underwriter's mission unless there exists in the minds of the fraternity a common purpose to make it successful. Your connection with any particular company has nothing to do with it. It is your mental attitude on the subject that is of chief importance. The pirates in this business have no part with us. That class of men may make money, but at the loss of respect of their fellows and all honest men.

On the other hand, the agent who is generous and just to others will find satisfaction in mingling in congenial intercourse, as it is our privilege here to-night, with those who have learned to look for the good in our business. Think of the great opportunity offered for extending these blessings in the large cities, especially New York, with its army of solicitors, most of whom are outside the pale of influence of this model local association. Let us hope that New York will set the example in this matter as she has in other important moves that have given you eminence.

How shall we go about it? Why, every member possesses the ability to accomplish wonders. The prosperity and success of each association depend upon the activity of the individual membership. You are supplied with that kind of material that prompts only right thoughts and can therefore allow no admixture of bad methods. The mission of every high-minded underwriter is to use this material and use it in the right way. We may not expect to see a Pentecostal time in business affairs when every man will behave as he ought. But when you reach

out and gather in all of the better element and find them responsive to good rules, the bad element will be discountenanced and quit the business.

None can afford to be lukewarm or indifferent. The millennium is a long way off. We must keep everlastingly at our purpose. The farmer knows that unless he subdues the weeds he will reap no grain. Whenever the associations realize that it is in their power to weed out the unscrupulous and purify the business, then they will become a supreme power. As hygenic laws have almost banished contagion and epidemics from civilized peoples, so we may look forward to the day when the present evils among agents will be as impossible as a repetition of the Black Plague of 1665.

Of course here in New York you haven't had to contend with the difficulties that have prevented good men in some other places forming associations. Or, if the difficulties existed, you met them in a manly way and agreed upon that broad platform: "In essentials unity, in non-essentials liberty; in all things charity." The result is that few grumble at the lack of good done by the association, and those few do little to help. The world is always beautiful to those who are looking for the beautiful.

The better class of agents are not pessimists. They believe that right principles always win. They have faith in the great reformation possibilities. It is better to restrain the wayward than altogether condemn him. You men of great insurance repute have a great responsibility which you cannot shirk. But what will it be worth if so selfish that no helping hand is offered to improve the business wherein that great reputation was made? Let everybody, therefore, help President Wyman in the good work in which he is so laudably engaged.

PRESIDENT WYMAN'S ADDRESS.

President Kohler in his introduction of the principal speaker of the evening, Mr. W. D. Wyman, president of the National Association of Life Underwriters, said:

GENTLEMEN—"Lo, the Conquering Hero Comes," and as we throw to the breezes our banners of welcome and shout our hurrahs and plaudits, none the less sincere and heartfelt are our pledges of loyalty and allegiance to the administration of which he is our honored hero, we, the sons of the New York association, are honored by this early visit of the chief executive of the National Association of Life Underwriters.

In his local association we have but to turn to the pages of her history to note his devotion to the labors of association work, and to the exalted position he was placed in by the unanimous vote of the convention at Portland last month. He carries with him the ripe judgment of executive authority based on experience, which he can well employ.

We concede to no sister association one jot of loyalty in excess of ours. As the great captain of the united forces we are waiting his commands and stand ready to execute them to the best of our unstinted power. To us he comes as the representative of no body save that of the National Association, and no warmer welcome could we give to any man than to him. He is the president of all—no North, no South, no East, no West—but with all and for all.

I present to you Mr. W. D. Wyman, president of the National Association of Life Underwriters.

Mr. Wyman was greeted enthusiastically, and after the applause had subsided said:

MR. PRESIDENT, BROTHERS OF THE NEW YORK ASSOCIATION—I thank you for this kind and cordial reception, and for the privilege of enjoying your bountiful hospitality. I remember that one of the songs we used to sing when I was a boy in the little Sunday-school up in New Hampshire, and which must have been, I think, written by an Eastern gentleman, ran as follows:

"Away out upon the prairie full many children dwell
Who never read the Bible or hear the Sabbath bell."

We who dwell far out upon the prairie love to return East occasionally, where we can hear the Sabbath bell and re-learn those wholesome lessons of our childhood, and I thank you for again giving me that opportunity. From the prairies of the West it gives me pleasure to come with that message, "Peace and good-will to men," which was so ably heralded to us by my able predecessor of the East.

Colonel Raymond, in his admirable address at the national convention in Detroit, on his elevation to the presidency, said: "I doubt if there be a single man present, or if there be many now members of this convention who belong to the local associations, who cannot most truthfully, fortunately, say that the measure of their happiness in this world has been vastly increased by their membership in the local associations. There is in no work on earth to-day so good a spirit of good-fellowship existing as in the local associations of the life underwriters in the United States."

Never before in the history of our organization has there seemed to be such a reawakening of the association spirit and ardent desire in the breasts of all good life insurance men that that which may bring better, purer methods in the prosecution of our noble work may prevail.

There are thousands of honest, bright, strong, faithful men who do not yet know our watchword, but who when once bivouacked on our fields would make soldiers loyal and true. May we before the year closes count our numbers by the hundreds! They will make no sacrifice by coming to us. They will relinquish none of their present privileges. They will find friends, we will gain friends. They will imbibe from us and we from them enthusiasm, knowledge and strength. We will all go from these meetings with renewed courage and with a more enlightened and loftier conception of our noble work.

The testimony of those who come to us is something like that of the old bachelor who does not marry until late in life. He expresses his regret that he has been so foolish for delaying so many years matrimony and the privileges of a home. It is the testimony of most every good brother who joins us that he wishes he had done so before. He finds that he returns to his work a stronger man, that the little expenditure entailed is a good investment, that we are broadening and extending public knowledge of life insurance, which makes our work easier, pleasanter and far more remunerative. I tell you that the higher we can lift one another in the public mind just in the same proportion can we better prosecute our business each year. A good word for every reliable competitor and company is a good word for ourselves.

Gentlemen, I cannot understand how life insurance workers, a class of men not excelled in intelligence and ability by any other on this earth, hesitate one moment in enlisting in our cause. The only obstacle that they can in any way discover lying between us is that they do not fully understand what we are striving to accomplish, and if that be the obstacle, they certainly need us, they need broadening, they need the help which we can give them.

Members of the New York Association, an enormous responsibility rests upon you. The insurance carried on the lives of the citizens of your State is equal to that of the combined insurance carried by the citizens of the States of Pennsylvania and Massachusetts, and by the combined insurance carried by the citizens of Illinois, Massachusetts and Ohio. The record of your achievements is one of which you can well be proud. You have enrolled in the army of your workers thousands of keen, intelligent, able men. May you before the year closes count them in your membership by the hundreds and with them inaugurate such efforts for rightful action as will give our cause an impetus that it has never before experienced.

Persuade them to dare to do right, to manfully resist all powers that crowd them to do wrong, to courageously refuse to transact our business in violation of law, of honor, of the sacred interests of millions of homes, which let us remember we are bound to protect. Bountiful will be the reward in increased remuneration for their labors and satisfaction in having done that which is right.

I claim that no agent is a good business man who conducts his business in violation of the principles which we advocate.

Senator Ben Hill, of Georgia, in speaking of certain gentlemen whom he did not much admire, declared "they were invincible in peace and invisible in war." Gentlemen, let that not be said of us. Let us be invincible in our efforts for the promotion of all that is good and sacred in our business. The National Association to be a power must have the support of the thousands of our strong, invincible workers throughout the land, and it is my earnest desire that you of this association, whose influence is so far-reaching, will direct your energies with me to its upbuilding.

Let not one of us think that he can absolve himself from the great responsibilities that confront him. To a degree we each are responsible for the conditions that exist; it is in our power to correct them, for it is to our hands that the enormous interests of our policy-holders are first given. In us they are trusting; we must not be recreant to that trust.

We are assured that the officers of our companies are in full sympathy with us. Our success means increased success to our companies, and lightens the care and responsibility of those who guide them.

The great divine, Phillips Brooks, in an address before one of

our associations, thus eulogized the life insurance agent and his work: "It seems to me that one of the great blessings of a vocation such as yours is that it eliminates a great deal of the worry of life, that it gets rid of a great many of these distressing and carking troubles that keep men from living their true lives. Care is like the sunshine that comes and awakens man up from his slumbers—worry is like the mosquito that stings a man while he is asleep. Care is like a great sea on whose flood ships are driven forward to their destination—worry is like the chattering, unruly, fretful movement of the same sea as it gnaws and growls upon the shore it washes. Blessed be care and cursed be worry, and blessed be the occupation of men who are doing so much to eliminate worry from our human lives."

Following President Wyman's speech Louis Philkowski entertained the company with character imitations.

Mr. J. W. Fitzpatrick, of the reception committee at Portland, Me., was introduced and gave an account of some of the transactions of the delegates while in the prohibition city, in which he said that he had introduced them to the Mayor, from whom they had received the password.

Songs and monologue by the "Great Patti" received the attention and approbation of the members, after which Mr. Farley was called upon to make a few remarks.

Mr. Farley said: "Mr. President, guests and fellow-members, the modesty of this affair is something that must occur to all. After seeing the president of the association and the chairman of the executive committee each so busy calling upon everybody else except themselves, they force it as an issue upon me to call attention to the great and hard work they have done in making this meeting the successful affair in which we are all participating. (Applause.) The New York Association is as loyal to-day as it was when it was organized, and the best evidence of it is before you to-night. All in all, this will be a red-letter day in the history of the New York Association; that we have with us the president-elect of the National Association, and that we have with us the president *licked*—(laughter)—tells me that as insurance men we are still carrying out the laws of the average. (Laughter.) I yield to nobody the earnest support that can be given to association work; and it has been a very great pleasure to see your president and chairman of your executive committee supported as earnestly as they have been to-night. I know that the hour is late; I know that we are all through with our board bill, etc., and I can only wish you one thought, and that is: "Go forth and do the good work. Be no shirker, but be a worker. And remember that the motto of our association as well as of our State is 'Excelsior.'" (Applause.)

Considerable amusement was afforded when the "French Prestidigitateur" requested Colonel Vrooman and Mr. Farley to aid him in a mind reading test, followed by more sleight-of-hand performances.

Colonel Goulden said the "Good night," which was followed by benediction by the Rev. J. O. Wilson.

President Koehler was congratulated on the success of the evening, and the spirit of harmony which it had promoted.

The Attack on Mr. Farley.

(The Spectator.)

In another column we reproduce an editorial paragraph from THE WEEKLY UNDERWRITER, criticising the uncalled-for remarks of A. J. Flitcraft, publisher of an insurance paper called the *Life Insurance Courant,* at the banquet of the Chicago Life Underwriters' Association, at Kinsley's on Tuesday of last week. Flitcraft circulates among life underwriters' conventions primarily to advertise and sell his publication, and has even been guilty of soliciting for subscriptions in dress suit at an evening banquet. Possessing unlimited egotism and bravado, he believes that he can accomplish much in this direction by taking active part in underwriters' deliberations, in caucuses for nominations, and by otherwise interfering with the proceedings of insurance men at insurance gatherings. At the National Convention of Life Underwriters at Portland he created much merriment among some and indignation and disgust among other life underwriters, according to the temperament of the men, by buttonholing delegates in the lobby and reading rooms, canvassing for the candidate for the presidency whose cause he espoused. He made himself a great bore and won great unpopularity, the delegates not hesitating to speak their opinions freely about him. Other insurance journalists present felt it their duty to refrain from any participation in the canvass for candidates or to mix up with association politics, because these were the natural functions of the delegates, and reputable journalists had no disposition to intrude on the prerogatives of the constituency of a convention which they were permitted to attend by courtesy only. Flitcraft, however, with his egregious conceit, felt himself foremost in the fight for presiding officer, and probably believes that he defeated the candidate he was opposed to by his boresome mouthings to the delegates he buttonholed. It is almost certain that the newly elected president, Mr. Wyman, felt that Flitcraft's advocacy of him was a hindrance rather than an advantage, but it would be impossible to convince the latter individual of this fact. *The Spectator,* in its report of the national convention proceedings, was the first journal to comment editorially on the unwisdom of the attack made on Mr. Farley because of his connection with the executive special department of the Mutual Life. It is unfortunate that the contest for president took on this phase, for personally Mr. Farley is extremely popular with the members of the association, and Mr. Flitcraft's distortion of facts and attempts to belittle him will but serve to increase the popularity of one so highly esteemed as is Mr. Farley.

The Enlarged Home Office Building of the Mutual Life Insurance Company.

The addition to the Mutual Life Insurance Company's Building, at Liberty, Nassau and Cedar streets, New York, is now very near to completion. It is in several respects the most remarkable building in the world. The cellar floor is 55 feet below the sidewalk level and 35 feet below the line of standing water. The foundations rest on bedrock 100 feet below the surface of the ground. Remarkable engineering work had to be done in accomplishing this result.

The building at 32 Liberty street, one wall of which had to be underpinned, is eighteen stories in height and the highest building ever so treated. The work was complicated there also by the fact that the ground floor was filled with the safes and vaults of a safe deposit company, and a settlement of the sixteenth of an inch would have stopped the working of the locks.

Caissons formed of steel tubes 3 feet in diameter were sunk to support the adjoining buildings, and then work was begun on the foundations proper. A discovery that under the hardpan there was a formation of loose sand and crumbling rock in places 32 feet deep forced the excavators to go to solid rock with all the main caissons, and this was about 100 feet below the sidewalk.

A complete inclosure of the lot was made by sinking thirty steel caissons, each 8 feet in width and ranging from 15½ feet to 22 feet in length. When these were down to the rock a complete water-tight inclosure was made by ramming the spaces between the caissons full of red clay from New Jersey.

This was done by sinking a 3-inch pipe between the caissons by means of a water jet, dropping cores of clay into the pipe and then forcing this out by dropping a heavy steel bar upon it. The pipe meantime was drawn up foot by foot until the whole of each space was filled. When this was done it was possible to excavate to the hardpan for the cellar floor without draining away the quicksands and bringing down buildings perhaps for blocks.

Altogether 81 caissons were sunk, and an idea of the extent of the work is conveyed by the fact that in the permanent foundations there are 2,000 tons of steel, 20,000 barrels of cement, 10,000 cubic yards of stone and 5,000 cubic yards of sand. Forty-five thousand cubic yards of material will be excavated altogether.

Above the sidewalk the annex is eight stories in height, in Cedar street, to match the older extension in that street, while

(*Continued on page* 245.)

Life Insurance Payments.

The following is the report of the life insurance companies doing business in the United States to THE WEEKLY UNDERWRITER of the death claims and endowments paid by them during the month of September, 1901:

COMPANIES.	Death Claims.	Endowments.	Total Payments.
Ætna Life	$245,742	$113,802	$359,544
Connecticut General Life	6,133	1,000	7,133
Connecticut Mutual Life	276,818	20,250	297,068
Equitable Life, Des Moines	3,361	.....	3,361
Equitable Life, New York	1,328,535	335,949	1,664,484
Germania Life	189,500	96,574	286,074
Home Life	69,222	14,494	83,716
*John Hancock Mutual Life	203,293	5,000	208,293
Manhattan Life	83,128	8,315	91,443
Maryland Life	10,275	3,625	13,900
Massachusetts Mutual Life	90,880	14,067	104,947
*Metropolitan Life	764,197	1,000	765,197
Michigan Mutual Life	35,924	10,173	46,097
Mutual Benefit Life	334,199	58,040	392,239
Mutual Life, Louisville	26,248	.....	26,248
Mutual Life, New York	1,465,521	369,715	1,835,236
National Life, U. S. A.	6,586	1,000	7,586
National Life, Montpelier	44,524	3,000	47,524
Nederlands Life, U. S. Branch	8,000	.....	8,000
New York Life	1,148,114	.....	1,148,114
Northwestern Mutual Life	351,601	119,316	470,917
Pacific Mutual Life	20,750	1,335	22,085
Penn Mutual Life	176,080	41,181	217,261
Phœnix Mutual Life	47,415	6,570	53,985
Provident Life and Trust	82,039	92,097	174,136
Provident Savings Life	103,500	.....	103,500
†Prudential Life	518,024	3,143	521,167
State Mutual Life	58,500	6,000	64,500
Travelers	64,632	15,878	80,510
Union Central Life	64,125	24,406	88,531
Union Mutual Life	75,283	12,721	88,004
United States Life	61,685	6,000	67,685
Washington Life	58,931	56,295	115,126
Totals	$8,022,765	$1,440,946	$9,463,611

* Partially industrial insurance. † Principally industrial insurance.

Payments Since Organization.

The following table shows the total amount reported paid on death claims and endowments, from their organization to September 30, 1901, inclusive, by the life insurance companies whose monthly lists are printed in THE WEEKLY UNDERWRITER:

Date of Organization.	COMPANIES.	Death Claims.	Endowments.	Total Payments.
1850	Ætna Life	$53,564,317	$23,232,475	$76,796,792
1865	Connecticut General Life	2,770,807	836,417	3,607,224
1846	Connecticut Mutual Life	109,147,398	15,361,932	124,509,330
1867	Equitable Life, Des Moines	773,681	225,144	998,825
1859	Equitable Life, New York	197,540,485	21,670,898	219,211,383
1860	Germania Life	25,192,026	8,038,552	33,230,578
1860	Home Life	11,757,430	2,684,926	14,442,356
1862	*John Hancock Mutual Life	23,370,822	1,869,084	25,239,906
1850	Manhattan Life	29,412,520	2,976,012	32,388,532
1864	Maryland Life	2,452,585	184,884	2,637,469
1851	Massachusetts Mutual Life	21,487,276	3,559,379	25,046,655
1867	*Metropolitan Life	93,597,562	554,716	94,152,278
1867	Michigan Mutual Life	4,969,542	2,896,780	7,866,322
1845	Mutual Benefit Life	93,910,494	8,743,485	102,683,979
1866	Mutual Life, Louisville	3,588,171	295,932	3,884,103
1843	Mutual Life, New York	246,476,216	59,798,314	306,274,530
1868	National Life, U. S. A.	4,333,500	344,772	4,678,272
1850	National Life, Montpelier	10,578,894	1,239,676	11,818,570
1893	Nederlands Life (U. S. Branch)	1,000,560	.....	1,000,560
1845	New York Life	160,102,993	10,608,596	170,711,589
1857	Northwestern Mutual Life	59,173,729	14,492,498	73,666,227
1868	Pacific Mutual Life	4,746,513	1,134,837	5,881,350
1847	Penn Mutual Life	29,524,903	4,688,551	34,213,454
1851	Phœnix Mutual	22,282,252	4,685,955	26,968,207
1865	Provident Life and Trust	16,335,209	9,247,274	25,582,483
1875	Provident Savings Life	14,942,675	6,805	14,949,480
1876	† Prudential	51,954,910	67,617	52,022,527
1845	State Mutual Life	9,795,245	1,999,237	11,794,482
1866	Travelers	13,041,234	4,895,550	17,936,784
1867	Union Central Life	9,747,092	2,216,651	11,963,743
1849	Union Mutual Life	16,254,851	5,455,560	21,710,411
1850	United States Life	14,254,860	1,810,544	16,065,404
1860	Washington Life	17,737,123	6,064,429	23,801,552
	Totals	$1,375,847,975	$221,887,482	$1,596,735,457

* Partially industrial insurance. † Principally industrial insurance.

(*Continued from page 244.*)

in Liberty street it is sixteen stories in height. The addition will cost when completed over $2,500,000. It covers an area of 16,000 square feet, or about seven city lots.

Removal of the "Insurance Herald" to Atlanta.

Louisville is a thriving city with a promising future, but it is not big enough yet to be the home of two first-class insurance papers. On the other hand, Atlanta, the greatest insurance centre of the South, is important enough to have at least one insurance paper of the highest class published within its limits. The migration of the *Insurance Herald*, therefore, is to be commended as wise from a business point of view. We have no doubt that it will attain a still larger measure of prosperity because its influence will radiate from such a point of distribution as Atlanta is. Our contemporary makes the announcement of its removal in the following terms:

In order to more quickly reach the large majority of our readers in the Southern States, and to better serve the interests of the insurance business of the South to which the *Insurance Herald* is devoted, the publication and mailing office of the paper on November 1 will be removed to Atlanta, Ga., where it will continue to be issued every Thursday in the year. In every part of the Southern field, including Kentucky and Tennessee, not only will subscribers receive their papers just as early as they have heretofore received them by mail, but a very large proportion in the States of which Atlanta is the railroad and general distributing centre will receive them from six to twenty-four hours earlier, a consideration of much importance.

The present business and editorial management will continue and, as heretofore, will aim, while giving ample attention to the general field, to make the *Herald* of increased value to the South, because of increased facilities now provided for news gathering. Working from the main insurance centre of the "new South" we shall be able to give our readers not only, as stated, more prompt but more valuable service than ever before. For nearly twelve years the *Herald* has been recognized as distinctively the insurance newspaper of the South, while it has maintained its reputation as an all around newspaper, and the purpose of its present change of base is to emphasize its work in both these particulars.

A business office will be maintained at the old stand in Louisville, which will be essentially more than a branch office, and our readers and business patrons in Kentucky will receive in all respects the same valuable service as heretofore. The office of publication will be in the English-American Building, Atlanta, where all communications should be addressed after this date, and where we shall be pleased to welcome our friends at all times.

1825. THE 1901.

Pennsylvania Fire Insurance Co.

OF PHILADELPHIA.

Cash Capital,	$400,000.00
Re-insurance and all Liabilities,	2,771,038.56
Surplus,	2,163,883.97
Total January 1, 1901,	$5,334,922.53

R. DALE BENSON, Prest. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Prest. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

Germania Fire Insurance Co.

Southeast Corner of William and Cedar Streets, New York.

STATEMENT, JANUARY 1, 1901.

Cash Capital	$1,000,000.00
Reserve for Unearned Premiums	1,563,778.00
Reserve for Losses under adjustment	81,571.61
Reserve for all other Claims	42,475.49
Net Surplus	2,275,975.38
Total Assets	$4,963,800.48

HUGO SCHUMANN, Prest.

FR. VON BERNUTH, GEO. B. EDWARDS, } Vice-Presidents. CHARLES RUYKHAVER, Sec. GUSTAV KHER, Asst. Sec.

CHARTERED 1866.

The Old Reliable

Hartford Life Insurance Co.

HARTFORD, CONN.

Issues Whole Life, Endowment, Semi-Endowment and Life-Endowment-at-Age-80 Policies, in amounts from $10 to $500 and from ages 2 to 60. These policies are plain in terms and conditions. Cash Surrender and other values are written in the contract. All "Hartford" Policies are in full immediate benefit in case of death by accident.

Best to sell or insure under. Over $20,000,000 Paid in Benefits.

GEO. E. KEENEY, President. CHAS. H. BACALL, Secretary.

INCORPORATED 1851.

The Berkshire Life Insurance Co.

OF PITTSFIELD, Mass.

All Policies issued by the Company are subject to the Massachusetts Non-Forfeiture Law.

WM. R. PLUNKETT, President.

JAS. M. BARKER, Vice-Pres. JAS. W. HULL, Sec'y and Treas.

Agencies in all the principal cities of the United States.

INCORPORATED 1865

GERMAN INSURANCE CO.

OF FREEPORT, ILL.

The Largest and Most Successful Fire Insurance Company in the West.

Assets, January 1, 1901,	$3,656,401.59
Cash Capital,	200,000.00
Liabilities, including reinsurance,	2,181 179.89
NET SURPLUS,	1,275,221.70

C. O. COLLMAN, Pres. HENRY BAIER, Vice-Pres. D. B. SCHULTE, Treas.

WM. TREMBOR, Sec. F. M. GUND, Ass't Sec.

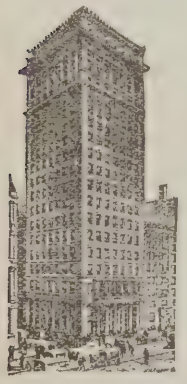
Sun Ins. Office of London, England.

J. J. GUILE, U. S. MANAGER.

OFFICE: 54 PINE STREET, NEW YORK.

Capital, $2,500,000. AGENTS WANTED.

SURETY ON BONDS.



HOME OFFICE BUILDING, NEW YORK.

American Surety Co.,

100 BROADWAY,

NEW YORK.

Capital, $2,500,000

STATEMENT DECEMBER 31, 1900

Resources (including Capital, $2,500,000)	$5,354,285.00
Liabilities (including Reserve, $592,251.67)	900,995.71

HENRY D. LYMAN, *President.* W. S. JOHNSTON, *Vice-President.*

TELEPHONE: CORTLANDT 5395.

State Mutual Life Assurance Co.,

OF WORCESTER, MASS.

A. G. BULLOCK, President.

Incorporated 1844.

Issues policies, incontestable after two years, protected by the Non-Forfeiture Law of Massachusetts. Yearly dividends.

Assets	$17,754,046
Liabilities	15,889 512
Surplus January 1, 1901	$1,864,534

C. W. ANDERSON, General Agent, 189 BROADWAY, NEW YORK.

COMMERCIAL UNION ASSURANCE CO.

LIMITED,

OF LONDON.

OFFICE:

Cor. Pine & William Sts., New York.

Instituted in Reign of Queen Anne, A. D. 1714.

Union Assurance Society of London

No Overhead Writing

No Dual Agencies.

Loyalty to Local Agents.

United States Offices: Society's Building,

35 Pine Street, New York, ... Hall & Henshaw, Managers
171 La Salle Street, Chicago, . . . Hall & Henshaw, Managers
35 Kilby Street, Boston, . . Hall, Henshaw & Gilmour, Managers
English-American Building, Atlanta, Ga., . George N. Hurt, Manager
Mining Exchange Building, Denver, Col., Gerald L. Schuyler, Manager

AGENTS IN ALL THE PRINCIPAL TOWNS AND CITIES.

When Working for The Mutual Life...

You needn't introduce the Company—the Company introduces you. There you have it. You needn't take a minute or a word to prove where The Mutual stands or what it stands for. The whole world knows its masterful leadership—just as you know it yourself. But there are some things you may not know.

DO YOU KNOW

That **The Mutual Life** is especially helpful to agents?
That **The Mutual Life** writes the most liberal policies?
That **The Mutual Life** gives the highest guarantees?
That **The Mutual Life** has policies that meet every requirement of investment as well as of protection?

Look into these things. Take no one's say so, but investigate,

The Mutual Life Insurance Company

OF NEW YORK,

RICHARD A. McCURDY, President.

IT IS THE LARGEST FINANCIAL INSTITUTION IN THE WORLD.

Income in 1900, - - - $60,582,802.31

Assets January 1, 1901, - - $325,753,152.51

It has room for workers who are not rebaters. Address

GEORGE T. DEXTER,

Superintendent of Domestic Agencies,

NEW YORK.

Established 1782.

Phœnix Assurance Company,

OF LONDON.

FIRE INSURANCE ONLY. LOSSES PAID OVER $100,000,000.

Head Office for the United States, 37 Liberty St., N. Y.

A. D. IRVING, Manager. E. B. CLARK, Asst. Manager.
LOUIS P. BAYARD, 2d Asst. Manager.

The Lancashire Insurance Company

OF MANCHESTER, ENG.

MILTON DARGAN, Manager,

25 Pine Street, NEW YORK.

The Mutual Benefit Life Insurance Co.

NEWARK, N. J.

AMZI DODD, - - PRESIDENT.

ASSETS (Market Values) Jan. 1, 1901.....$74,311,468.25
LIABILITIES, N. J. and N. Y. Standard..... 68,186,103.34
SURPLUS..... 6,125,364.91

MUTUAL BENEFIT POLICIES

—CONTAIN—

Special and Peculiar Advantages

WHICH ARE NOT COMBINED IN THE

POLICIES OF ANY OTHER COMPANY.

Caledonian Ins. Co.,

FOUNDED 1805. **of Scotland.**

"The Oldest Scottish Insurance Office."

United States Head Office, 27-29 Pine Street, New York City.

STATEMENT JANUARY 1, 1901.

Assets $1,910,617.66
Liabilities..... 1,101,382.62
Net Surplus in the United States $809,235.04

CHARLES H. POST, U. S. Mgr. N. A. McNEIL, Ass't U. S. Mgr.

ESTABLISHED IN 1822.

THE NATIONAL ASSURANCE COMPANY OF IRELAND.

GEORGE E. KENDALL,
United States Manager,
HARTFORD, CONN.

London Assurance Corporation,

CHARTERED A. D. 1720.

SURPLUS IN U. S. JAN. 1, 1901, $838,698.68

CHAS. LYMAN CASE, Manager.

4 PINE STREET, - - - - - NEW YORK.

Provident Life and Trust Co.

OF PHILADELPHIA.

The best in Life Insurance is likely to be the cheapest. The same fidelity, skill and care which are necessary to guarantee the future security of a company result in the lowest cost. A good test, therefore, is to determine whether the organization and the surroundings of a company exclude all doubt as to future security. In determining this the question of cost is determined also. **THE PROVIDENT LIFE AND TRUST COMPANY** invites inquiry as to its organization and the provisions for safety afforded. For the full period of its existence the death rate has been only .614 of the rate indicated by the authoritative tables.

Head Office for the United States:

57 and 59

William Street,

NEW YORK.

LONDON & LANCASHIRE FIRE INSURANCE COMPANY

A. G. McIlwaine, Jr., Manager.

Northern Assurance Company,

OF LONDON, ENGLAND.

EASTERN AND SOUTHERN DEPARTMENTS,

38 PINE STREET, NEW YORK.

GEORGE W. BABB, JR., Manager. T. A. RALSTON, Sub-Manager.

ÆTNA

LIFE INSURANCE CO.

MORGAN G. BULKELEY, PRESIDENT

Largest Company in the World doing Life, Accident and Health business

ASSETS, OVER . . . $56,000,000.

MOWRY and PATTERSON, Managers Life Department.
GEORGE C. STERLING, Manager Accident Department.

Continental Building, 46 Cedar Street, NEW YORK CITY.

1846—1901.

THE CONNECTICUT MUTUAL LIFE

Insurance Company.

WHERE THE CONNECTICUT MUTUAL STANDS.

During all the long struggle out of which this situation has developed, and amid the many schemes devised to attract public attention and favor to something else than life insurance, the attitude and position of the Connecticut Mutual have never been doubtful.

It has held to the cardinal facts: Life insurance is for the protection of those dependent on a man's life; their dependence makes it his unavoidable duty. Those dependents we assume to protect by our contract, at his personal cost; our duty to them is to make that protection as large, as secure, and as certainly available to them as possible; our duty to him is to make its cost to him as small as possible.

JACOB L. GREENE, President. **HERBERT H. WHITE, Secretary.**
JOHN M. TAYLOR, Vice-President. **DANIEL H. WELLS, Actuary.**

The Metropolitan Life Insurance Co.

(INCORPORATED BY THE STATE OF NEW YORK.)

"The Leading Industrial Insurance Company of America,"
IS REPRESENTED IN ALL THE PRINCIPAL CITIES OF THE UNITED STATES AND IN CANADA. THE PAYMENT OF OVER 260 DEATH CLAIMS DAILY TELLS OF THE GOOD IT DOES. INSURANCE IN FORCE OF OVER $900,000,000 ATTESTS ITS GREATNESS AND FAVOR WITH THE PUBLIC.

Permanent, Profitable and Progressive Employment.

AGENTS WANTED—Any honest, capable, industrious man, who is willing to begin at the bottom and acquire a complete knowledge of the details of the business by diligent study and practical experience can, by demonstrating his capacity, establish his claim to the highest position in the field. It is within his certain reach. The opportunities for merited advancement are unlimited. All needed explanations will be furnished upon application to the company's superintendents in any of the principal cities, or to the Home Office, No. 1 Madison Avenue, New York City.

JOHN R. HEGEMAN, President.

HALEY FISKE, Vice-President. GEORGE H. GASTON, Second Vice-President. GEORGE B. WOODWARD, Secretary. J. J. THOMPSON, Cashier and Assistant Secretary. JAMES M. CRAIG, Actuary. JAMES S. ROBERTS, Assistant Secretary. STEWART L. WOODFORD, Counsel. THOS. H. WILLARD, Medical Director. A. S. KNIGHT, Assistant Medical Director.

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.
FOUNDED 1792.

Assets, January 1, 1901		$9,583,791
LIABILITIES—Reserved for Reinsurance and all other claims	$4,805,254	
Capital Stock	3,000,000	
Surplus over all Liabilities	1,778,537	$9,583,791

Agents in all the principal towns and cities.

CHARLES PLATT, President. EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. BENJAMIN RUSH, Second Vice-President.
T. HOUARD WRIGHT, Marine Secretary. JOHN B. ATWOOD, Assistant Secretary.

Offices in New York: Fire, William and Pine Sts.; Marine, 63 Wall St.

1850. THE 1901

United States Life Ins. Co.

IN THE CITY OF NEW YORK.

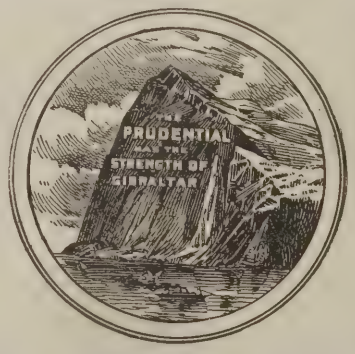
GEORGE H. BURFORD, President.

FINANCE COMMITTEE.

GEO. G. WILLIAMS, . . . *President Chemical National Bank*
JOHN J. TUCKER, ... *Builder*
E. H. PERKINS, JR., *President Importers' and Traders' National Bank*
JAMES R. PLUM, ... *Leather*

Active and successful Agents who desire to make Direct Contracts with this well-established and progressive Company, thereby securing for themselves not only an immediate return for their work, but also an increasing annual income commensurate with their success, are invited to communicate with RICHARD E. COCHRAN, 3d Vice-President, at the Company's Office, 277 Broadway, New York City.

Assets over $8,000,000. **Insurance in Force, over $40,000,000**



ORDINARY and INDUSTRIAL PROFIT SHARING POLICIES.

EXCEPTIONAL ADVANTAGES TO

..... Active Agents.

WRITE TO

THE PRUDENTIAL INSURANCE CO. OF AMERICA

JOHN F. DRYDEN, President. Home Office: NEWARK, N. J.

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

VOL. LXV. SATURDAY, NOVEMBER 2, 1901. No. 18.

Published every Saturday by the Underwriter Printing and Publishing Company.

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All communications should be addressed to THE WEEKLY UNDERWRITER, 58 William Street, New York.

Checks and money orders should be made payable to the order of THE WEEKLY UNDERWRITER.

THE Attorney-General of Oklahoma is naturally amazed and rightly indignant at the cool impudence of the officers of the National Accident Society of New York, who, being warned that it must not do business in the Territory without complying with the insurance laws and taking out a license, replied in these terms:

> We have no desire to comply with any laws of the Territory, and do not seek admission to do business through authorized agents in the Territory. We receive, however, a very satisfactory business from that section in which you are located, from parties acting as insurance brokers, agents or attorneys, we do not care which, neither do we care whether they are subject to a fine or not. The States and Territories say: "Give us a fee of so much and we will give you a license." This does not make the insurance any better.

This is the assessment company which had a disturbance last June with the Minnesota commissioner and declined to be examined by him on account of the expense, and when he offered to pay the expense out of his own pocket promptly declined again. It was put out of Minnesota and we do not know if it is doing business regularly anywhere except in New York. But if its Oklahoma letter defines its position toward other States and Territories it is probably engaged in a general underground business. As an example of gall the letter is unique.

THE result of the proceedings instituted in the courts of Indiana, by the Insurance Department of Illinois, to secure the enforcement of judgments found in the latter State against certain Indiana companies, will be regarded with much interest by fire underwriters. Because if the principle is legally established that a non-resident company can be made to pay any fine which a State or insurance department may at its pleasure impose, the consequences may be far reaching to the funds of the company. The action taken by the Illinois department is to determine if the Vernon and Commercial insurance companies of Indianapolis, which have been engaged in the transaction of business in Illinois without licenses, and against which judgments of $5,000 each have been recovered in the courts of that State, cannot be forced to satisfy those judgments by the courts of their own State. The defense of the undergrounders is, of course, that not being resident in the foreign State, they are not amenable to its laws and their resulting pains and penalties. But the Illinois department makes the point that having regularly employed agents resident therein to solicit business in the State, the companies have put themselves within the jurisdiction of the Illinois courts. The question will no doubt be taken to the United States Supreme Court for settlement, and if the Illinois contention prevails the result will be disastrous to the transaction of such unlicensed business as is not done at the actual counters of companies. The question of the power of a department to enforce any fine against an outside company, if it is involved, is still more important.

COMBINATION for the purpose of expediting work and doing it more economically at the same time is the order of the day, and the latest example of this tendency is embodied in the move, for the first time announced this week, of five Boston insurance agencies to take joint action in the care of the routine branches of their fire brokerage business. It is understood that the success which these firms have achieved in the handling of their marine business by means of a recently established bureau has led to this extension of the idea to their fire insurance business. The combination does not in any way involve any obliteration of these firms as separate entities, neither have they combined for any purposes of aggression upon houses not included in the agreement. The main purpose is the saving of expense enabled by the centralization of work. An instance of this is found in the matter of auditing, inasmuch as a single expert will now act as auditor for the five firms, and an immense deal of routine work, heretofore necessary on settlement day of each month, will be eliminated. Economies will also be accomplished in the placing of risks by the making of all preliminary inquiries regarding them for the benefit of the combination, instead of having them duplicated for the firms interested in any particular risk. It would seem likewise that the common use of maps—a very expensive item in the make-up of an insurance office—ought to save a good deal of money to the syndicate. Such a plan was mooted in Boston several years ago, and while its realization did not come at the time, it is now evident that there was sufficient vitality in the idea to crystallize into fact when the conditions were ripe for such action. The experiment will be watched with great interest.

THE *Independent* as a non-insurance periodical of high character may properly be presumed to speak without feeling in commenting upon matters of insurance interest. In this week's issue it says:

> Inquiries come to this office regarding the Mutual Reserve and its prospects, the inquirers desiring to know whether it is expedient for them to continue their membership. To these requests for information we are reluctantly obliged to reply, that we do not possess any—we may surmise, but we do not really know the actual condition, and are not sure that anybody does. A genuine, competent and conclusive examination of this much-examined organization is therefore very desirable—not an examination to make it not insolvent, or one to whitewash it, but one whose findings shall establish the facts.

It may relieve the mind of our contemporary when it hears that Commissioner Giljohann, of Wisconsin, has notified Commissioner Dearth, of Minnesota, his associate in the attempt last June to compass a "genuine,

competent and conclusive examination" of the Mutual Reserve Fund, that the Wisconsin department is to be allowed to make an examination of the association in the "near future." He will naturally desire the co-operation of the Minnesota department, and so Mr. Wolfe will at last get the opportunity to look into affairs from the beginning and as they are now, for only on such lines can there be the kind of examination which the *Independent* describes as necessary in order to "establish the facts" and satisfy inquirers after information. At least such is the inference we draw from the letter by the Wisconsin commissioner to the Minnesota commissioner. We have heard nothing yet from the association on the subject, it is true, but as it could hardly promise an opening to the conscientious Giljohann, with the expectation that he would be disloyal to his associate commissioner, it must be assumed that the great genuine investigation is about to take place, and that Mr. Wolfe will soon be in the bowels of the association.

Facts and Opinions.

A LETTER appears in the London *Lancet* from Dr. William R. Gowers, in which he deprecates the theory about consumption which appears to be gaining ground that heredity must be eliminated from the list of causes. He says:

There has come to be a strong popular impression that an inherited influence in the causation of tuberculosis has been disproved by the discovery of its dependence on organisms received from without. The belief is apparently due to some sweeping unqualified statements which have been made that we must discard the idea of actual inheritance of the disease. This, of course, is true, but the facts still remain which have led to the belief that an inherited condition influences the occurrence of the disease. These facts are equally explained by the assumption that that which is inherited or transmitted is a relatively low power of destroying the tubercular organisms which have found entrance into the system. I think that the facts not only remain but retain their significance, even when all allowance is made for the effect of infection from one member of a family to another. Indeed, such relative disability enables us to understand the greater influence of exposure to infection in some families than in others. Moreover, we must assume an analogous acquired disability in order to understand the way in which tuberculosis is a special sequel to some acute diseases or may follow grave deterioration of general health. The question is important in regard to life insurance. It is said that some offices have ceased to take cognizance of a family history of tubercle in consequence of the widespread impression above mentioned—that an hereditary influence has disappeared from the medical creed. The change seems, however, scarcely credible, since the customary practice is based upon definite experience, on facts which may have to be differently explained but cannot be destroyed by the new knowledge.

THE United States Supreme Court on Monday rendered an interesting decision in the case of Fred A. McMasters, administrator of F. E. McMasters, formerly a resident of the State of Iowa. The case involved the question as to whether an insurance policy goes into effect on the date of the application for it or when the policy is delivered. In this instance the application was made in December 12, 1893, and the policy was delivered December 26, 1893, when the premium was paid. Provision was made for grace of a month in the matter of the payment of the second policy. McMasters died January 18, 1895, six days after the expiration of the month of grace, if it was to be computed from December 12, or eight days before its expiration computing it from December 26, the anniversary of the delivery of the premium. The Supreme Court decided that the grace began one year after the delivery of the premium, thus holding the policy to be good. The opinion of the Circuit Court of Appeals for the Eighth Circuit was reversed.

THE Missouri Court of Appeals has decided that a failure to pay an assessment levied by a fraternal order does not invalidate the policy unless it is immediately cancelled for the non-payment. The case was that of the heirs of one John Tevis, of Excelsior Springs, Mo., who, in common with about 30 per cent. of the total membership of the fraternal organization to which he belonged, was invariably from a day to a fortnight in arrears, and the contention of the attorneys for the heirs was that inasmuch as the custom had been to accept Tevis' money, when it was tendered in arrears, the same money and tender must be good after death, notwithstanding that then the policy had matured. The trial court held that this was good law, and now the Court of Appeals affirms the decision. Every effort had been made to return the assessment, but the court held that inasmuch as the custom of the lodge had been to take money from delinquents while they lived, it must continue to take it from their representatives when dead in order to keep up the policy.

THE Ohio Supreme Court on Tuesday handed down an opinion in the case of the Ohio Farmers insurance company against Burget which makes much less important the condition in a policy on chattel mortgage relative to the removal of the insured property from its location without the consent of the insurer, as will be seen from the syllabus, which is as follows:

The stipulation of a policy of fire insurance that "this policy shall become void, unless consent in writing is indorsed by the company hereon if any change takes place in the location of the property," may become the subject of construction because of the variety of senses in which the word "void" is used. The terms of such stipulation should be construed with reference to its purpose, and, thus construed, it does not exempt the insurer from liability because of a change in the location of the insured chattels without its consent if the hazards of such location are not operative at the time of the loss. The insured may recover upon a policy containing that stipulation for the loss of chattels destroyed at a location to which they were removed with the insurer's consent, notwithstanding their previous removal to another location without such consent.

THE numerous automobile accidents, notably those which recently caused the death of Frederick H. Benedict near Tuxedo and nearly killed the six men on Henri Fournier's machine on Long Island, are raising a doubt if the motor user is an average life insurance risk. Commenting on this aspect of the matter a daily paper says:

The sudden fondness of American automobile experts for the heavy type of French and German racers is largely to blame for this increased danger. Six or seven horse power machines must of course weigh six or seven tons, and it requires no reasoning to prove that an engine of that weight is entirely beyond control on down grades with slippery roads. Steel rails can be sanded, but not an automobile track. Unless some at present unthought of way can be provided for controlling these heavy machines, they had better be kept on level grades or on the race track. That is the only place for them anyway. American light roadsters, weighing inside of a ton, are capable of all the speed that is lawful on American highways. Those whose ambitions take them beyond such machines appear at present to be taking their lives in their own hands.

A SPECIAL cable to the *Journal of Commerce* says that Joseph Powell, London manager of the London and Lancashire Fire insurance company of Liverpool, has been appointed fire manager of the Union Assurance Society of London, succeeding the late William G. Wilkins, who died last summer. Mr. Powell was formerly the resident secretary at Liverpool of the Scottish Union and National insurance company, which appointment he held from the opening of the branch in 1883 to his joining the London and Lancashire. He was first on the staff at the Liverpool office of the Imperial Fire and Life companies, and after that was local district manager of the London and Provincial Fire insurance company, Limited. Hall & Henshaw have since received the following dispatch from the home office of the Union: "State positively that no amalgamation is pending or contemplated. Confirm the announcement of appointment of Joseph Powell general manager."

THE appealed case of the Imperial Fire against W. W. Thomas, of Cincinnati, was decided last Saturday in the United States Circuit Court in favor of the company. Thomas had a loss December 22, 1895, making proofs for $81,000 loss on an insurance of $75,000 in forty-four companies. He was paid $65,000 on a compromise the following February. Because of information collected after the fire on the Thomas premises last year the companies sued for the return of the $65,000. They lost the case when tried in the Federal court last year, but their attorney took an appeal and the verdict of Saturday was entirely in the companies' favor for the amount sued for, together with 6 per cent. interest from February 1, 1898. The companies have an attachment on Thomas' property at Third street and Broadway, Cincinnati. His attorneys now threaten an appeal.

A LONG letter has been written by Chief Engineer J. J. Hussey, of the Houston, Tex., fire department, defending it and himself against the charges made by the Fire Prevention Association of Texas, which he says is "an organization for the fixing of insurance rates rather than the prevention of fire." The chief is quite angry, and concludes his diatribe explosively as follows:

The fact of the matter is, the immense loss outside of the city limits is the bone of contention. These losses should not be charged to us because they are outside of the city limits, and it is to recover from the blow of these losses (the Merchants and Planters' Oil Mill and the National Oil Mill) that the Texas rating bureau are attempting to fasten the penalty upon the citizens of Houston to overcome those losses. As a glaring evidence of that fact the committee states that those losses are held by local insurance agents, which are, of course, charged to this territory, and our rates are established in accordance with those losses.

AT the regular meeting of the Boston Board of Fire Underwriters, held last Tuesday, the new schedule advancing rates on coal yards and wharves, which has been under consideration for some time, was adopted. The special assignments which were on the calendar for that day, and which were printed in full in THE WEEKLY UNDERWRITER of October 19, were disposed of as follows: The additional clause to the present valuation rule, by which a satisfactory owner's statement of the cost of new buildings will take the place of the estimate of two builders, was adopted; the ordinary alteration and repair and the mechanics' permit clauses were laid over to await the action of the National Board of Fire Underwriters in regard to uniform stipulations of this nature, intended to harmonize the practice of fire underwriting bodies generally in this respect.

A MONTREAL organization, known as the Medical Alliance, has been issuing in Massachusetts what it calls its "investment certificates" for a small fee. The members receive in return the use of money at a low rate of interest and also medical treatment and drugs from physicians and pharmacists who are members. The Medical Alliance was notified by the Massachusetts Insurance Department that it must cease operations which included the transaction of health insurance without a license, but the secretary of the Alliance sent back a defiant answer. After some correspondence, however, the department received a letter, in which the society agreed to eliminate the insurance feature from its certificates, thus backing down completely from the position first taken.

IN a speech made at Gloucester last Wednesday evening, Josiah Quincy, the Democratic candidate for Governor, advocated a comprehensive revision of the fundamental law of the State, and in the course of his remarks made the following allusions to State insurance:

We are far behind Germany in our employers' liability laws, for she has applied the principle of industrial insurance to the prevention of, and to securing compensation for, injuries suffered by workingmen in the course of their employment in a comprehensive and scientific manner, which has commanded the admiration of every student of the subject, and which has been already imitated by many of the countries of Continental Europe. We are again behind the same progressive empire in our failure to deal with the great economic and social question of providing by the insurance principle for the support of the worn out wage-earner in his old age.

RATES on marine risks for Alaskan voyages have so increased that the largest American concern now engaged in the Alaskan shipping trade is considering the advisability of cancelling all policies and hereafter doing its own insurance. So frequent have disasters been in the waters of the Northwest Coast that rates have been advanced until they are now quoted as high as 12 per cent. Even at that rate the insurance companies would not have found the business a profitable one during the past season. A dispatch from Seattle tells of the long series of disasters which have befallen steamships operating between British Columbia and Alaska the past summer.

THE Leonard Seed Company cases are up again in Chicago, with their status much changed by the reversal in the United States Circuit Court of Appeals and the victory for the seed company in the one case that was tried in the State courts. Both cases in the United States District Court were taken from the jury by the judge and a verdict ordered for the insurance company, under the provision of the policy that there shall be no liability where the building falls. The Court of Appeals reversed and remanded one of these cases and this will be reheard Monday. The other case will be argued before the Court of Appeals Thursday.

THE Boston *Commercial Bulletin*, noticing the compliment paid to our worthy fellow laborer in the insurance field, very appropriately says:

A signal tribute to the recognized abilities of Mr. Emil Schwab, of this city, well known in insurance circles throughout New England, was paid him this week by the request from Washington that he allow his name to be submitted to the Commissioners of the District of Columbia to fill the newly created office of insurance commissioner. The position demands besides a ripe knowledge of all that pertains to every phase of the insurance business, strong executive ability and an intimate acquaintance with insurance law. It is not probable that Mr. Schwab will allow his name to be considered, but the compliment that a Washington office should seek a Boston insurance journalist is none the less appreciated here.

THE Minneapolis Association of Life Underwriters held its annual meeting at the Commercial Club, Minneapolis, October 16, and elected the following officers for the ensuing year: President, B. H. Timberlake; vice-president, V. H. Van Slyke; secretary, E. A. Gilman; treasurer, W. H. Grant; executive committee, W. M. Horner, J. E. Myers and F. R. Smith. Fourteen companies were represented at the meeting, which was a most successful one, from the point of view of growth and interest. An interesting report was read by L. D. Wilks, of St. Paul, on the annual meeting of the National Association of Life Underwriters.

THE selection of a vice-president of the Travelers insurance company is being made with care by a committee composed of two directors, President W. B. Clark, of the Ætna insurance company, and the Hon. John R. Hills. The Hartford *Times* says:

These gentlemen will not be hurried in their task, as it is doubtful whether the appointment will be made before the annual meeting in January. The committee, it is understood, will endeavor to find a man who is thoroughly versed in the insurance business, and as familiarity with the company's affairs will be an additional qualification, it would not be surprising if the appointment is made from among the gentlemen of the present office force who are in line of promotion.

Occasional rests are essential to those who work hardest. The association is twiddling its thumbs at present and smoking the pipe of peace. It is

the hour immediately succeeding breakfast, when a period of repose precedes the strenuous labors of the day. The Mutual Reserve is relaxing its limbs and massaging oil into its muscles preparatory to taking hold. All that has gone before was training—all that follows is achievement. When this young giant finishes its coffee and stretches itself for the labor of the day something is going to happen.—*Insurance Economist.*

Bust?

THE Wilkesbarre, Pa., *Times* of October 25 has the following statement about a perplexing situation:

George Johnson, a well-known citizen of Pittston, has written a letter to the newspapers, in which he severely arraigns the Mutual Reserve Fund Life Association. He is a policy-holder, but never until lately knew anything as to its mode of doing business. He incloses a copy of a letter of settlement by the company on a policy for $2,000, from which the company deducted more than half for the following items: Balance premiums current policy year, $40.36; lien, $688.90; extra mortality, $594.89. In closing, Mr. Johnson calls on policy-holders to write to the general office and try to learn the value of their policies and ascertain what charges are written against these policies as "liens" or "extra mortality."

THE Yankton lodge of the Ancient Order of United Workmen has called upon the Governor of South Dakota to remove Insurance Commissioner Shober. His offense is that he persists in trying to collect a 2 per cent. tax on the order under the State law taxing mutual benefit societies. The complainant claims to be exempt as a secret benevolent society, but the Attorney-General sustains the commissioner, and the matter is likely to get into the courts. Former insurance commissioners have refrained from endeavoring to collect a tax on fraternals.

THE new agency created by the consolidation of the Critchell and the Smith, Miller, Whitney & Barbour agencies in Chicago has changed its original intention to call itself the Consolidated Insurance Agency, and will be styled Critchell, Miller, Whitney & Barbour. Mr. Critchell is one of the oldest and best known insurance men in Chicago, and his name was worth too much to the business to be left out. The firm began operations Wednesday morning in the offices so long occupied by Fred S. James & Co., having moved during the night.

IN the course of an interview given on October 25, Baron von Gabelenz, the Berlin representative of the Mutual Life insurance company of New York, said:

The view held in the United States that the new insurance law is without hardships for American companies is at least premature, since the law only goes into operation next January. The Advisory Board is allowed great liberty in interpreting paragraph 7. It is as yet unorganized, and its attitude is therefore unknown. I hope, however, that there is no foundation for the rumors that the present Prussian requirements will be retained.

A FINAL event occurred in the Defenbach life insurance conspiracy case at Chicago on Wednesday. Frank H. Smiley, who turned State's evidence, was given his liberty. He relinquished all right to the $5,000 insurance on Marie Defenbach's life. This ends the criminal proceedings in the case, as Dr. August M. Unger is in the penitentiary and Wayland Brown was previously let off with a fine. The insurance money is still in the hands of the court.

IN addition to the elections to official positions in the Metropolitan Life insurance company announced in our issue of last week, two other elections took place at the directors' meeting October 22, both in the medical division of the company. Dr. Augustus S. Knight was elected medical director in association with Medical Director Willard, and Dr. W. S. Manners, who has been chief examiner in the medical division, was elected assistant medical director—both elections being in the line of promotion for conspicuous merit.

Industrial insurance itself has doubled in Great Britain within the last ten years. In 1891 there were under 10,000,000 policies in force, and now there are nearly 19,000,000 of policies, covering £180,000,000 sterling of insurance. This while the percentage of the sum insured per head has increased to slightly over £9 per head.—*London Insurance Journal.*

THE industrial insurance in force in Great Britain is therefore about $900,000,000. On December 31, 1900, the industrial insurance in force in the United States was $1,466,266,088, having increased from $428,037,242 ten years ago, or considerably over threefold.

THE Omaha Commercial Club is getting excited about fire insurance rates. When the matter of the proposed increase was up several weeks ago, it was referred to the committee on banking and insurance for a report, but none has been forthcoming, and a special committee has been named. It will not devote itself entirely to abuse of the insurance companies, but will recommend that new apparatus be provided for the fire department and that the water supply be improved.

SERVICE of process has been made on the Connecticut Insurance Commissioner in the suit of David McNamara, of Danbury, against the Mutual Reserve Fund Life Association of New York. The suit is brought to recover $1,000 on a policy on the life of Catherine Qualey, late of Sandy Hook, issued by the Northwestern Life of Chicago, which was reinsured by the Mutual Reserve Fund. McNamara claims to be the beneficiary of the policy, and damages to the amount of $1,200.

THE attorney of Klayer hints mysteriously at further proceedings against the insurance companies, but it is the opinion of the *Investigator* that this is a bluff. If Klayer could prevail upon the Attorney-General of Illinois to take up his cases he might make further trouble and the civil suits against the companies which were dismissed without prejudice might be started anew. But that anything more will be done by the informer seems doubtful.

ATTORNEYS representing twenty of the principal life insurance companies in the United States which do business in Kentucky filed as many suits in the Franklin Circuit or State fiscal court, at Frankfort, Ky., on Wednesday, seeking to restrain the Kentucky State Board of Valuation and Assessment from assessing or attempting to collect from them franchise taxes alleged to be due from 1892 to 1901. They were required to give indemnity bonds for the full amount due from each.

THE Lincoln Life and Accident Company is the resounding name of a concern at Minneapolis, Minn., which has just been closed up by Commissioner Dearth. According to the papers in the case, the company had assets amounting to $841.15, of which $280 consisted of a note signed by the president of the company, Richard Leffmann. The liabilities amounted to $196, of which one item was $13 due the insurance department.

THE Merchants of Newark on Saturday reinsured its business in the smaller cities of the West in the Phenix of Brooklyn. The Pacific Coast field remains undisturbed and will continue to report to Chicago; and the agencies not included in the reinsurance arrangements also report to the Western department, as before. The business of the Merchants reinsured will amount to about 40 per cent. of the Western premiums.

PINKERTON men are after William Mitchell, who represented the Equitable Life for several years at Stillwater, Minn. He is charged with forging company receipts for $1,700 as premiums on a policy taken out by Dr. J. F. Johnson, who had had engraved plates made of the company receipts by a St. Paul jeweler, from which the fraudulent forms were printed. He was a former preacher and college professor.

THE Iowa State Auditor has written a letter denouncing the Western Consolidated Underwriters Fire and Marine insurance company of Chicago as a wildcat. It is is one of the irresponsible concerns in Illinois which claims to be independent of the insurance department, and which the latter is striving to break up. The Western Consolidated, etc., is devouring lambs in Iowa.

THERE was a meeting of Mutual Life agents of Utah at Salt Lake City on October 21 and they were addressed on "the scientific aspects of life insurance" by Prof. W. P. Stewart. In the evening there was a banquet at the Kenyon House, the front of which was adorned with national flags in honor of the occasion. About fifty agents attended the meeting.

THE Insurance Commissioner of the State of Washington is in the East looking up the laws of the various States regulating fraternal orders. He says that there has been a tremendous crop of such institutions in his State, many of them with very dubious plans and methods, and he purposes to prepare a new code of laws and also to examine a number of the orders.

AT the instance of the Massachusetts Insurance Department William H. Tobin, of Boston, was arrested for transacting business of an insurance broker without a license. He was complained of by Mrs. Catherine Crane, for whom he was to procure a policy of $500, premium $5. Mrs. Crane states that she paid him $2.50 on account and saw him no more.

AT a hearing before Judge Stone, at Concord, N. H., on Monday, Commissioner Linehan, of New Hampshire, asked for an injunction restraining the Kearsarge insurance company, the local wildcat, from doing business in the State. The Attorney-General appeared in behalf of the State, and a lawyer named Leach for the objectionable concern.

THE West Virginia Association of Local Fire Insurance Agents held its annual meeting at Wheeling on Monday and elected officers as follows: President, W. S. Foose, of Wheeling; first vice-president, W. D. Paden, of Parkersburg; second vice-president, F. E. Nichols, of Fairmont; secretary and treasurer, Jay Cooper, of Wellsburg.

THE combination of fire insurance agency firms in Boston, noticed in our editorial columns, has been made by John C. Paige & Co., Field & Cowles, Robert A. Boit, Obrien & Russell and Geo. O. Carpenter & Son, which are among the largest doing business in that city. There is much interest in the outcome.

THE local fire insurance companies of Washington, D. C., have decided to form an association to enter the surplus line field, under the name of the National Underwriters. There are twelve companies in the combine and it will be represented by Pollock & Cortes, of New York, as general managers.

THE Illinois Supreme Court will be asked to decide whether lien notes taken by life insurance companies are assessable. The board of review of Sangamon County held that the $800,000 of lien notes held by the Franklin Life were not assessable and the assessor has appealed from this decision.

THE Empire State Surety Company of the Borough of Brooklyn, which was organized last April with $125,000 capital and $125,000 surplus, has been admitted to the State of California, and appointed Thomas R. Bannerman, of San Francisco, general agent and resident manager.

THE Virginia Association of Local Fire Insurance Agents has elected the following officers to serve for the ensuing year: L. W. Childsey, of Norfolk, president; W. L. Deckhert, of Harrisburg, vice-president; W. H. Trice, of Norfolk, secretary and treasurer.

THE suits of the Attorney-General of Missouri against fire insurance companies for violation of the State anti-trust laws were continued October 26 until next call for proofs to be taken by the Attorney-General.

THE Eastern Union, at a meeting on Thursday, appointed a committee to visit Pittsburgh next week and labor with the local underwriters as to the rearrangement of rates on large risks.

Max Cohen says excellently that people who use the most words are often those who have the least to say.—*Insurance Economist.*

He surely must have been thinking of Bell.

THE British Insurance Corporation of London, so called, is doing a wildcat business in Mississippi, from Chicago, and the State Auditor is warning the public against it.

OFFICES in the Continental Building, 46 Cedar street, have been leased by Manager Kelsey for the United States branch of the Aachen and Munich insurance company.

AN examination of the Vernon insurance company of Indiana is being made by Actuary Fitch at the request of the stockholders.

Personal

AGENCY APPOINTMENTS.

Assurance Company of America: Austin Howard, St. Paul, Minn.

Baloise: Charles Tredick & Co., Philadelphia, Pa.

Maryland Life: Reynolds & Rust, of Atlanta, Ga., general agents, succeeding St. Julian Ravenel & Co., resigned.

National Surety Company: Joyce & Ayers, general agents at Chicago, Ill.

National Union of Pittsburgh: Blood & Gilbert, St. Paul, Minn.; H. W. Barley, special agent for Eastern Pennsylvania and New York State.

North German Fire of New York: J. Q. Haas & Co., St. Paul, Minn., succeeding H. S. House.

Palatine of London: E. J. Richardson & Sons, Baltimore, Md., transferred from J. Ramsay Barry.

Penn Mutual Life: J. C. Cockrell, of Jacksonville, special agent for Florida.

Sun Fire Office: Arthur Fenner, Ayer, Mass.

Svea: W. H. Estabrook, Worcester, Mass.

Travelers of Hartford: E. S. Kendall, manager at Omaha, Neb.

Western of Canada: W. B. Sanford, Great Barrington, Mass.

President Henry L. Palmer, of the Northwestern Mutual Life insurance company, celebrated his eighty-second birthday on October 22 by working all day at his desk as usual. He left the following day for Washington to attend the centennial session of the Supreme Council of Scottish Rite Masons for the southern jurisdiction of the United States. Judge Palmer is another example of the modern American who is practically sixty years young when he is eighty years old.

Messrs. Harry W. Overman & Co. have resigned the management of the National Surety Company for Illinois and Indiana, which was given to them a few months ago in connection with their work for the Maryland Casualty. William B. Joyce, who has been Northwestern manager, with Henry L. Ayres, for some time connected with the company, succeeds them as general agents, with offices in their old location in the Rookery. Mr. Ayres will continue as Northwestern manager.

Mr. Benjamin M. Weil, a prominent fire insurance agent of Milwaukee, Wis., died in that city October 24, after a week's illness, from pneumonia and diabetes, aged fifty-one years. He was a native of Baltimore, Md., and removed to Milwaukee in 1870, establishing himself at once in the insurance agency business. He was an active citizen all his life, taking interest in public, social and business affairs in Milwaukee.

Capt. H. J. Hawkins, local insurance agent and prominent citizen at Cowan, Tenn., shot himself to death October 22, aged sixty-six years. As there was no cause for suicide and he was an optimist in temperament, the death is attributed to accident.

Mr. O. H. Brown, of Oswego, N. Y., who has been an agent of the Ætna insurance company since 1854, was eighty-five years old on October 23 and sent a letter to his company, expressing his gratitude for "pro-

longed cordial relations with the Ætna and the enjoyment of good health."

Mr. Edward M. Alfriend, the popular playwright, who was formerly a partner of the late Thomas L. Alfriend, his brother, in the general insurance business at Richmond, Va., died in the city of New York October 24, aged sixty-six years.

Mr. M. Dugro Buttles announces that he has been appointed general agent and manager for the United States and Canada of La Gardienne insurance company of Paris, France, which will do a surplus line business in the territory named.

Mr. H. D. Cummings, formerly general agent of the Manhattan Fire at Chicago, has formed a partnership at Cincinnati with the W. P. Dolle agency, and will hereafter be the senior member of the firm of Cummings, Dolle & Co.

Mr. Pulaski Cowper, president of the North Carolina Home Fire insurance company of Raleigh, N. C., died there on Tuesday last, aged sixty-nine years, from Bright's disease. He had been president of the company since 1870.

Mr. Osborne Howes, secretary of the Boston Board of Fire Underwriters, has accepted the Democratic nomination for the Massachusetts State Senate from the Second Norfolk District.

Mr. George H Allen, formerly special agent for New England of the Manchester Fire, has established himself as an independent adjuster at 45 Kilby street, Boston.

Mr. Charles T. Monk, special agent of the National Union of Pittsburgh, has been appointed assistant secretary of that company.

Insurance Legislation.

Complete copies of all important bills in the legislatures affecting insurance are on file in the office of THE WEEKLY UNDERWRITER.

Georgia.

ATLANTA, Ga., October 31.—Mr. Little has introduced in the House a bill to amend paragraph 9, Sec. 2 of General Tax Act, approved December 20, 1900, by adding thereto as follows: "Provided further, that the tax shall not be required of agents of industrial life insurance companies, writing what is known as industrial life insurance, premiums on which are payable in weekly instalments not exceeding $1.05 per week."

Mr. Underwood has introduced a bill in the House to amend Sec. 14 of the Insurance Laws of 1895, which refers to assessment or co-operative companies, both domestic and of other States. It provides for deposits by such companies with the State Treasurer.

The Governor in his message to the Legislature recommended the restoration of the deposit to be required from fire insurance companies to $25,000 face value of the bonds of the United States or the recognized valid bonds of Georgia. The present deposit is $10,000. The deposit by surety companies of whatever name they are called is now $25,000. The Governor recommends that it be increased to $50,000 and also that all surety companies which make the required deposit and comply with all other requirements of the law are to be received on all attachment bonds, bonds of all city, county and State officers, and bonds of executors, administrators, guardians, trustees and all other bonds required to be made by order of any court in the State of Georgia.

Miscellany.

Standing Committees of the National Association of Life Underwriters.

The president and executive committee of the National Association of Life Underwriters have appointed the following standing committees for 1901-1902:

Speakers.—William D. Wyman, Chicago, Ill.; Charles H. Raymond, New York, N. Y.; C. E. Tillingast, New York, N. Y.; E. H. Plummer, Philadelphia, Pa.; T. H. Bowles, Milwaukee, Wis.; R. E. Cochran, New York, N. Y.; James L. Johnson, Springfield, Mass., and I. Layton Register, Philadelphia, Pa.

Finance.—J. A. Goulden, New York, N. Y.; H. S. Fuller, Milwaukee, Wis.; J. W. Harmon, Manchester, N. H., and T. F. Giddings, Detroit, Mich.

Membership.—W. H. S. Whitcomb, Burlington, Vt.; H. S. Bull, Albany, N. Y.; O. E. Johnson, Charleston, S. C.; W. Woods White, Atlanta, Ga., and S. P. Ficklen, Washington, D. C.

Statistics.—J. W. Iredell, Jr., Cincinnati, Ohio; J. C. Biggert, Pittsburgh, Pa.; J. H. Ireland, Baltimore, Md.; William Goldman, Portland, Ore., and L. F. Gentry, Topeka Kan.

Topics.—W. G. Carroll, Philadelphia, Pa.; George H. Sutton, Springfield, Mass.; Charles E. Ady, Omaha, Neb., and A. J. Birdseye, Hartford, Conn.

Prize Essays.—L. D. Wilkes, St. Paul, Minn.; J. D. E. Jones, Providence, R. I.; R. N. Merritt, Indianapolis, Ind., and Miss Emily A. Ransom, Boston, Mass.

Credentials.—Dr. S. L. Fuller, Chicago, Ill.; A. A. Green, Jr., Dallas, Tex.; L. B. Robinson, Newark, N. J., and Wm. M. Horner, Minneapolis, Minn.

Transportation.—F. A. Kendall, Cleveland, Ohio; J. W. Fitzpatrick, Portland, Me.; W. H. Joyce, Buffalo, N. Y., and H. E. Freeman, Grand Rapids, Mich.

The Press.—George A. Cantine, Newburgh, N. Y.; Wm. G. Ludlow, Worcester, Mass.; W. K. Shick, Harrisburg, Pa., and Frank Wooley, Wilmington, Del.

Reflections on the Amalgamation of the Phœnix and Atlas by the Secretary of a Rival Company—Mr. Pipkin's Triumph.

(Communication in The Policy-Holder, Manchester.)

DEAR SIR—Ever since the proposed amalgamation of the Phœnix and Atlas companies was hinted at I have read with ever increasing interest the various paragraphs and articles in your admirable paper; that interest has now reached its climax with the publication in your last two issues of the circulars addressed to the respective shareholders by the directors of the one company and the general manager of the other. The very signing of these circulars indicates clearly the reason for the amalgamation, which seems to be a revival of the old story of the mountain and Mahomet. I notice that the special reason for the amalgamation is not emphasized in the circulars, but that a number of lesser reasons are drawn, "red herring" like, for the purpose of distracting the attention of any inquiring Phœnix shareholder who might reasonably ask why a general manager could not be found among the officials of that company. So far as one can judge, these advantages seem to be principally on the side of the Atlas Company, the shareholders of which are to get new shares in the amalgamated concern of a slightly greater value, and the prospect of a slightly increased dividend in addition to a decreased liability as regards uncalled capital.

The price, which appears to be purely a paper one, does not seem excessive for a half-interest in a personality, which from the trouble taken to acquire it would seem unique in the insurance profession.

Among the points mentioned in the circulars are a strengthening of the financial position, which may be taken as a good reason even where each company is able to stand alone, but the complete amalgamation of the forces of both companies, coupled with the abolition of "many duplicate fixed charges," seems to me rather difficult to reconcile, and it would be of interest to know what is going to be done with the staff of each company, especially in those large towns where each has a branch office apart from any question as to the duplicate head offices.

On the point of expenses I find from the table of British fire companies for 1900 that out of the thirty-five companies named the Atlas is sixteenth, with 34 per cent. of expenses, the Phœnix being fourth with 31 per cent. (fractions omitted). The ratio of losses and expenses swings the balance the other way nearly 2 per cent. in favor of the Atlas.

The Atlas trading balance is £26,000 on a premium income of £435,000, and with the aid of £17,000 of interest the dividend of £38,000 is easily paid. The Phœnix, with a trading balance of exactly double, namely, £53,000, on a premium income, however, of more than £1,250,000, with an interest of £47,000, suffices for the dividend of £94,000. The advantages in these respects would seem to be on the side of the Phœnix, but, as everyone knows, the difference might be all the other way within a year. A glance down the same table of last year's results of several companies which have been swollen by amalgamation does not seem to indicate that the Phœnix and Atlas companies will

have much to hope for in the way of reduction of expense ratio, or of the loss and expense ratio combined.

Perhaps the most futile argument of all, however, is that of the lessening of competition on the one hand, with the extended capacity for dealing with large risks on the other.

I shall be very much surprised if the recent combines do not lead to the starting of new companies, while, as an insurance secretary with some experience of reinsuring, it does not appear to me as if the capacity referred to was developing on the guarantee side at all events. All the shadowy advantages referred to appear to me to be simply brought forward to bolster up the real reason, namely, the desire to secure the services of Mr. Pipkin, who has certainly shown his ability in his present position; but I venture to think (and a vast majority of insurance men will agree with me) that it is an insult to the whole profession in general, and to the staff of the Phœnix in particular, to think that there is no one capable of managing the Phœnix Fire company without effecting this extraordinary amalgamation. I inclose my card, and beg to remain,

Yours faithfully, PER FAS ET NEFAS.

EDINBURGH, October 14, 1901.

Will Not Compete for Business at Less Than Cost—A Good Letter.

(*New Orleans Daily States.*)

And still the letters with backbone and ginger in them to agents in what we shall call target towns continue to be confided to the insurance columns of this paper, in the hope that they will hearten the non-resident managers and give them courage to withstand the tempting and pleading offers of agents to shade rates. Here is one that went to an agent at Jackson, Miss., on October 26:

"Information reaches me that the rate situation at your city is very unsettled and there is a general disposition among the agents and a number of the companies to accept business at less than an adequate rate. As to whether I am correctly informed, I am unable to say, but, in view of this information I desire to express to you the wishes of the ——— insurance company upon this all important subject.

"Some years ago, when the great war was on in New York the ——— insurance company entered the fight and prosecuted the battle vigorously, taking on an immense liability at totally inadequate rates. When the troubles were finally settled and the new compact formed, from these liabilities taken at inadequate rates the ——— realized an exceedingly heavy loss ratio, the invariable consequence of this method of underwriting. The ——— insurance company declined to enter the fight, declined absolutely to write any risks whatever at less than tariff rates, and, in consequence, had their entire business swept from their books, and they were without business then for three years that the rate war was in existence. At the close of the fourth year, however, it was found that the ——— insurance company (the last company referred to) had on its books a New York business exceeding that of the ——— (company first referred to) from the same field by $20,000, and they suffered no abnormal loss ratio in consequence of inadequate rates.

"I state these two instances as demonstrating the utter folly of rate wars and the undesirability of assuming any considerable liability at inadequate rates; and the experience thus encountered in New York is not inapplicable to the present situation in Jackson. It is the wish of this company, therefore, to decline to enter into any rate war at Jackson or to write any risks at less than adequate rates, even though they lose thereby every dollar of business on the books of the company through that agency. I appreciate thoroughly the efforts of our agency at Jackson and its fidelity to the interests intrusted to to it and I realize also the utter futility of writing fire insurance at less than its actual cost, and I deem the former tariff rates not more than adequate in every instance—I refer to the last tariff issued. These instructions may be considered a hardship in view of the hearty support you have given the company's interests, at the same time I trust you will appreciate that the ——— insurance company expects to continue in the fire insurance business, and to do this it is absolutely necessary to collect at least sufficient premium to pay losses and expenses, which cannot be done if the liability is assumed at less than cost.

"We fully appreciate all your efforts and fidelity to the company's interests."

In the above the reader's particular attention is called to the mildly expressed, we might even say that the language verged on the diplomatic, desire of the company to avoid participation in any contest that would result in reducing the income on the liability assumed strengthened by the provision, "Even though they lose thereby every dollar of business now on the books of the company through that agency." Gentlemen of the managerial and field forces of the companies, that is the kind of talk to use to Jackson agents. If every one of you will write a letter to that same effect to your representatives, and mean every word you say, letting your agents know that you mean it, you will solve the nasty Jackson problem in twenty-four hours. The agents there are, in the slang of gambling, "playing both ends against the middle." There is no competition except that which greed creates. Some agents are "bearing" rates worse than the assured. You can put a stop to it. Will you?

We should be obliged to our contemporaries of the insurance press if they would republish the above with our comments.

Insurance in Indiana.

A report on insurance in the State of Indiana is in course of preparation by Chief Clerk Neal of the State Auditor's office and his assistant, Miss Nellie Moore, which is interesting historically as well as statistically. A summary of the forthcoming volume appears in the Indianapolis *Journal*, from which the following extracts are made:

The oldest fire insurance company transacting business in Indiana from a foreign country was incorporated in 1710. The oldest fire insurance company belonging to the United States that conducts operations in this State was incorporated in 1794. Altogether 113 fire companies are writing insurance in Indiana, of which six are native to the State, seventy-three have their official residence in other States and thirty-four have their home offices across the ocean.

The report further shows that fifty-four of the fire companies operating in Indiana were incorporated more than fifty years ago. The Hartford Fire insurance company, of Hartford, Conn., enjoys the distinction of placing in 1836 the first fire insurance ever written in this State by a company that is now doing business in Indiana. The next insurance of this kind was written in 1844.

Only twelve of the companies now doing business in this State were writing policies in Indiana before and during the Civil War. Twenty-one of the companies now operating in the State were here before and during the great Chicago fire of 1871.

Of the companies now writing business in Indiana twenty-eight were admitted between the Chicago fire of 1871 and the year 1880. Fifty-six of the companies that are now engaged in policy writing in Indiana have been thus engaged for more than twenty years. Eight of the companies now on the State Auditor's list were incorporated prior to 1800.

During the year past five fire companies were admitted to Indiana; two consolidated with other companies and ten reinsured their business, retiring from the field.

The figures show that there has been a weeding out of insurance companies in the past five years. Five years ago 361 companies of all kinds were sending in reports to the Auditor of State, while now the number is only 261, a falling off of 100 companies. The number of licenses issued by the Auditor, however, has been increasing. Five years ago 14,000 licenses were issued annually to insurance agents; at present the number is about 23,000 a year. Receipts from insurance companies now are $100,000 a year greater than they were five years ago.

There are twenty-five more fire insurance companies in Indiana now than five years ago, and the business of all companies that report to the Auditor, including fire, life and miscellaneous companies, has been growing steadily for several years. The first law making it obligatory upon insurance companies to report to the Auditor was enacted in 1855, the date being March 2.

Under the head of life insurance companies, the report shows that at present there are forty-three companies which maintain the legal reserve for protection of policy-holders, which are making regular reports to the insurance department of the Auditor's office. Of these, five are Indiana companies and thirty-eight belong to other States. Five years ago only thirty-three such companies made reports.

Fifteen of the legal reserve life companies that reported to the Auditor have passed the "prime of life," having been in business more than fifty years. Twenty of these companies are over forty years old.

The first contract of life insurance made by companies that are now transacting business in Indiana legally was executed by two companies in the year 1848. Twenty-one of the legal

reserve companies named have been transacting business in this State more than thirty years.

Besides the life and fire insurance companies mentioned, twenty-eight companies are engaged in writing miscellaneous insurance, such as accident, plate glass, surety, steam boiler, etc. Of these companies twenty-five belong to other States and three are organized under Indiana laws.

Eighteen assessment life and accident companies of this State make reports to the Auditor, and twelve of such companies belong to other States. Reports are also made by eleven fraternal insurance organizations of Indiana and thirty-two of other States.

The report speaks a good word for companies doing various kinds of insurance business organized in this State within the past few years.

The Iron Safe Clause Judicially Declared Valid in Alabama.

The Alabama Supreme Court in the case of the Georgia Home insurance company against Allen, on appeal, has rendered a decision denying the company a rehearing. The *Journal of Commerce* prints the following summary of the decision:

First—That any action taken by an adjuster, an independent adjuster at that, after a knowledge of forfeiture of the policy will waive all defenses.

Second—That when one specific forfeiture is assigned all other breaches or grounds of forfeiture of the policy are waived.

Third—That the iron safe clause is a valid condition, the breach of which will void the policy unless it is waived by the company.

The facts in the case, as stated in the decision, are as follows:

Allen failed to comply with the conditions of the iron safe clause. George G. Adams, acting as adjuster for the company, made a full investigation of the case, and after being fully informed as to every particular in which Allen had violated the terms and conditions of the policy, recognized and treated the policy as valid, and entered into negotiations with Allen for the settlement of the loss, thus putting Allen to trouble and expense.

On this point the court says:

"If an insurance company, after knowledge of the breach of a condition contained in the policy issued by it, enters into negotiations or transactions with the assured by which the company recognizes or treats the policy as still in force, or induces the assured to incur trouble or expense, such acts or admissions on the part of the company will be regarded as a waiver of its right to claim the benefit of a forfeiture of a breach.

"An adjuster of an insurance company, with full power to make examinations, investigations and adjustments of a loss, has authority to waive the conditions of the policy; and if such adjuster, with full knowledge of the breach of the conditions of the policy of the insured, enters upon the investigation and adjustment of the loss and treats the policy as valid and subsisting, any defense the insurance company had to the policy, by reason of the breach of the conditions, will be deemed to have been waived."

The second point is that before suit was commenced Adams declined and refused to go on with the adjustment and settlement on the sole ground that the policy was void because Allen had kept, used or allowed on the premises hazardous or combustible material prohibited by the policy. He did not raise the question of a forfeiture of the policy on the ground that the iron safe clause had not been complied with.

On this point the court says:

"In an action upon a policy of fire insurance, where the defendant company assigns one specific ground of forfeiture, and the validity of the policy of insurance sued upon is denied upon that ground alone, all other grounds of forfeiture or breaches of the conditions of the policy are waived."

When the company was sued it pleaded as its only defense a failure on the part of Allen to comply with the requirements of the iron safe clause. The question of increase of hazard raised by the adjuster was not pleaded by the company as a defense. The validity of the iron safe clause, when not waived, is held by the court as follows:

"An iron safe clause in a policy of insurance, requiring the assured to keep a set of books and inventory of the stock, which shall be kept locked in an iron safe at night and at other times when the store is not open for business, is a valid condition and binding upon the assured, the breach of which will void the policy unless it is waived by the insurer."

The Boa-Constrictor Act.

(*Union Central Advocate.*)

The capers of the fraternal and assessment associations are exceedingly interesting. Just now the fraternals are engaged in a frantic race for business. They are cutting down rates in sharp competition in a way that threatens to make their careers much more rapid and brief than heretofore. If any association finds its death rate increasing, and raises rates correspondingly, the young and vigorous members immediately protest, and depart in a huff to join some younger and lower priced society. That hastens the demise of the older company. All right, gentlemen, if you know what you are about. Associations for make-believe life insurance, to last a few years and break up, are perfectly legitimate if the game is understood. Cheap insurance means short lived insurance. It is term insurance without guarantees.

Another aspect of this order of things is the absorbing process. One association takes in another. Then the two combined are taken in by a third, and so on. Finally the one that has absorbed all the rest dies. W. E. Thompson, of Milwaukee, in his "Ups and Downs," shows that the Maine Mutual absorbed the Kennebec Mutual and the Orient of New York. Then the Bay State absorbed the three, or what was left of them, and absorbed also the Massachusetts Mutual Aid and the Provident Aid. Then the Bay State expired. It is like snakes swallowing each other. A little snake is swallowed by a larger, then the larger is gobbled up by a still bigger one. Then all three are taken in by their superior. At last it reaches an anaconda or a python, who absorbs the entire lot. Then the anaconda dies of indigestion.

Some of these absorbers are still living. The Mutual Reserve Fund of New York recently absorbed the Northwestern Life of Chicago. That had already taken in the Northwestern Masonic, the Council Bluffs Life, the Kansas Masonic and the Covenant Mutual of Galesburg. The Mutual Reserve resembles Shakespeare's Cardinal Wolsey, "A man of unbounded stomach." We suspect the Mutual Reserve needs a heavy dose of pepsin. This is all right if all parties understand what they are about. The only sufferers needing pity are the lambs, like those of Wall Street, who think they have real life insurance and find themselves at last in old age and poverty, helpless and hopeless, while the fund which they supposed they were providing for old age or for their families when they were gone has vanished. The python absorbed their contributions and then died. Pythons enjoy lambs.

Home Life Insurance Co.

256 BROADWAY, NEW YORK.

GEO. E. IDE, - - - - President.

Assets, - - - - -	$12,342,247.00
Dividend Endowment Accumulations, -	736,337.00
Contingent Fund, - - - -	65,875.00
Net Surplus, - - - - -	1,282,588.30

National Fire Insurance Company,

HARTFORD, CONN.

JAMES NICHOLS, President. B. R. STILLMAN, Secretary.

H. A. SMITH, Assistant Secretary.

HEAD OFFICE, 95 Pearl Street, Hartford, Conn.

WESTERN DEPARTMENT.
FRED. S. JAMES, General Agent.
G. W. BLOSSOM, Asst. Gen'l Agent.
Office, 174 La Salle St., Chicago.

PACIFIC DEPARTMENT.
GEO. D. DORNIN, - Manager.
GEO. W. DORNIN, Asst. Manager.
Office, 409 California St., San Fran.

Personal Accident. **Plate Glass Insurance.**

ATTENTION, AGENTS and BROKERS!

The Central of Pittsburg, Pa.,

is the best company for the Customer, the Broker or the Agent. In the above lines of insurance it sells the Best Policies. Call on or address

Central Accident Insurance Company, Pittsburg, Pa.

1825. THE 1901.

Pennsylvania Fire Insurance Co.

OF PHILADELPHIA.

Cash Capital,	$400,000.00
Re-insurance and all Liabilities,	2,771,038.56
Surplus,	2,163,883.97
Total January 1, 1901,	$5,334,922.53

R. DALE BENSON, Prest. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Prest. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

THERE ARE FEATURES IN THE FIFTY-THIRD ANNUAL REPORT OF

The Penn Mutual Life Insurance Company

Of interest to all engaged in life insurance work.
A copy on request.

THE PENN MUTUAL LIFE INSURANCE COMPANY,
921-925 CHESTNUT STREET, - PHILADELPHIA.

PHENIX INSURANCE COMPANY,

OF BROOKLYN, N. Y.

NEW YORK OFFICE:
47 CEDAR ST.

National Life Insurance Company of Vermont.

J. C. HOUGHTON, President.
JOS. A. DE BOER, Vice-President.
O. D. CLARK, Secretary.

THIS COMPANY HAS GAINED IN THE LAST DECADE,

In Assets,	$12,275,109.34, or 160.96 per cent.
In surplus,	1,089,332.69, or 119.47 per cent.
In insurance,	48,102,491.00, or 93.64 per cent.

Sells the Most Modern, Profit-Sharing, Non-Forfeitable Contracts of Life, Term, Endowment and Annuity Insurance. Correspondence from interested parties promptly recognized. Good agency contracts for reliable men.

J. F. MAKLEY, General Manager,
149 Broadway, New York.

Head Office for the United States:

57 and 59
William Street,
NEW YORK.

A. G. McIlwaine, Jr., Manager.

ÆTNA
LIFE INSURANCE CO.

MORGAN G. BULKELEY, PRESIDENT

Largest Company in the World doing Life, Accident and Health business

ASSETS, OVER . . . $56,000,000.

MOWRY and PATTERSON, Managers Life Department.
GEORGE C. STERLING, Manager Accident Department.

Continental Building, 46 Cedar Street, NEW YORK CITY.

HANOVER

Agencies in all the Principal Places in the United States.

Fire Insurance Company OF NEW YORK.

The Agricultural Insurance Company of Watertown, N. Y.

ESTABLISHED 1853.

Assets, January 1, 1901	$2,283,558.42
Total Liabilities, except Capital	$1,240,017.87
Joint Stock Capital	500,000.00

The Union Central Life Ins. Co.,

CINCINNATI, OHIO.

Assets, January 1, 1901,	$26,440,297.28
Surplus,	3,693,343 46

No Fluctuating Securities. Largest Rate of Interest. Lowest Death Rate.
Endowments at Life Rates and Twenty Payment Guaranty Policies Specialties.
Large and increasing Dividends to Policy-holders. DESIRABLE CONTRACTS and GOOD TERRITORY open for LIVE Agents.
Address JOHN M. PATTISON, President.

Scottish Union & National Ins. Co.

ESTABLISHED 1824.

No. 35 St. Andrew Square, Edinburgh, Scotland.
No. 3 King William Street, E. C., London.

United States Branch: Hartford, Conn.

Western Assurance Company.

HEAD OFFICE: TORONTO, CANADA.

INCORPORATED 1851.

Hon. GEO. A. COX, President.
J. J. KENNY, V. P., and Managing Director.

UNITED STATES STATEMENT, JANUARY, 1901.

Assets	$2,016,370.78
Surplus in United States	638,430.59

Connecticut General Life Ins. Co.,

HARTFORD, CONN.

Assets, January 1, 1901	$3,765,824.33
Liabilities	3,416 031.86
Surplus to Policy-holders	$349,792.67

This Company offers a Policy having liberal provisions for Cash Values, Paid-Up Insurance, Residence and Travel, with Ample Security. Active and Experienced Agents Wanted.

R. W. HUNTINGTON, Jr., President. E. B. PECK, Assistant Secretary
F. V. HUDSON, Secretary. JAMES A. TURNBULL, Actuary.

Germania Fire Insurance Co.

Southeast Corner of William and Cedar Streets, New York.

STATEMENT, JANUARY 1, 1901.

Cash Capital	$1,000,000.00
Reserve for Unearned Premiums	1,563,778.00
Reserve for Losses under adjustment	81,571.61
Reserve for all other Claims	42,475.49
Net Surplus	2,275,975.38
Total Assets	$4,963,800.48

HUGO SCHUMANN, Prest.

FR. VON BERNUTH, GEO. B. EDWARDS, } Vice-Presidents. CHARLES RUYKHAVER, sec. GUSTAV KHER, Asst. sec.

INCORPORATED 1851.

The Berkshire Life Insurance Co.

OF PITTSFIELD, Mass.

All Policies issued by the Company are subject to the Massachusetts Non-Forfeiture Law.

WM. R. PLUNKETT, President.

JAS. M. BARKER, Vice-Pres. JAS. W. HULL, Sec'y and Treas.

Agencies in all the principal cities of the United States.

INCORPORATED 1865

GERMAN INSURANCE CO.

OF FREEPORT, ILL.

The Largest and Most Successful Fire Insurance Company in the West.

Assets, January 1, 1901,	$3,656,401.59
Cash Capital,	200,000.00
Liabilities, including reinsurance,	2,181,179.89
NET SURPLUS,	1,275,221.70

C. O. COLLMAN, Pres. HENRY BAIER, Vice-Pres. D. B. SCHULTE, Treas. WM. TREMBOR, Sec. F. M. GUND, Ass't Sec.

Sun Ins. Office of London, England.

J. J. GUILE, U. S. MANAGER.

OEFICE : 54 PINE STREET, NEW YORK.

Capital, $2,500,000. AGENTS WANTED.

SURETY ON BONDS.

American Surety Co.,

100 BROADWAY,

NEW YORK.

Capital, $2,500,000

HOME OFFICE BUILDING, NEW YORK.

STATEMENT DECEMBER 31, 1900.

Resources (including Capital, $2,500,000)	$5,354,285.00
Liabilities (including Reserve, $592,251.67)	900,995.71

HENRY D. LYMAN, *President.* W. S. JOHNSTON, *Vice-President.*

TELEPHONE: CORTLANDT 5395.

State Mutual Life Assurance Co.,

OF WORCESTER, MASS.

A. G. BULLOCK, President.

Incorporated 1844.

Issues policies, incontestable after two years, protected by the Non-Forfeiture Law of Massachusetts. Yearly dividends.

Assets	$17,754,046
Liabilities	15,889.512
Surplus January 1, 1901	$1,864,534

C. W. ANDERSON, General Agent, 189 BROADWAY, NEW YORK.

COMMERCIAL UNION ASSURANCE CO.

LIMITED,

OF LONDON.

OFFICE :

Cor. Pine & William Sts., New York.

Instituted in Reign of Queen Anne, A. D. 1714.

Union Assurance Society of London

No Overhead Writing

No Dual Agencies.

Loyalty to Local Agents.

United States Offices : Society's Building,

35 Pine Street, New York, ... Hall & Henshaw, Managers
171 La Salle Street, Chicago, . . . Hall & Henshaw, Managers
35 Kilby Street, Boston, . . Hall, Henshaw & Gilmour, Managers
English-American Building, Atlanta, Ga., . George N. Hurt, Manager
Mining Exchange Building, Denver, Col., Gerald L. Schuyler, Manager

AGENTS IN ALL THE PRINCIPAL TOWNS AND CITIES.

When Working for The Mutual Life...

You needn't introduce the Company—the Company introduces you. There you have it. You needn't take a minute or a word to prove where The Mutual stands or what it stands for. The whole world knows its masterful leadership—just as you know it yourself. But there are some things you may not know.

DO YOU KNOW

That **The Mutual Life** is especially helpful to agents?
That **The Mutual Life** writes the most liberal policies?
That **The Mutual Life** gives the highest guarantees?
That **The Mutual Life** has policies that meet every requirement of investment as well as of protection?

Look into these things. Take no one's say so, but investigate,

The Mutual Life Insurance Company

OF NEW YORK,

RICHARD A. McCURDY, President.

IT IS THE LARGEST FINANCIAL INSTITUTION IN THE WORLD.

Income in 1900, - - - $60,582,802.31

Assets January 1, 1901, - - $325,753,152.51

It has room for workers who are not rebaters. Address

GEORGE T. DEXTER,

Superintendent of Domestic Agencies,

NEW YORK.

Established 1782.

Phœnix Assurance Company,

OF LONDON.

FIRE INSURANCE ONLY. LOSSES PAID OVER $100,000,000.
Head Office for the United States, 37 Liberty St., N. Y.
A. D. IRVING, Manager. E. B. CLARK, Asst. Manager.
LOUIS P. BAYARD, 2d Asst. Manager.

The Lancashire Insurance Company

OF MANCHESTER, ENG.

MILTON DARGAN, Manager,

25 Pine Street, NEW YORK.

The Mutual Benefit Life Insurance Co.

NEWARK, N. J.

AMZI DODD, - - PRESIDENT.

ASSETS (Market Values) Jan. 1, 1901	$74,311,468.25
LIABILITIES, N. J. and N. Y. Standard	68,186,103.34
SURPLUS	6,125,364.91

MUTUAL BENEFIT POLICIES
—CONTAIN—
Special and Peculiar Advantages
WHICH ARE NOT COMBINED IN THE
POLICIES OF ANY OTHER COMPANY.

Caledonian Ins. Co.,

FOUNDED 1805. of Scotland.

"The Oldest Scottish Insurance Office."

United States Head Office, 27-29 Pine Street, New York City.

STATEMENT JANUARY 1, 1901.

Assets	$1,910,617.66
Liabilities	1,101,382.62
Net Surplus in the United States	$809,235.04

CHARLES H. POST, U. S. Mgr. N. A. McNEIL, Ass't U. S. Mgr.

ESTABLISHED IN 1822.

THE NATIONAL ASSURANCE COMPANY OF IRELAND.

GEORGE E. KENDALL,
United States Manager,
HARTFORD, CONN.

London Assurance Corporation,

CHARTERED A. D. 1720.

SURPLUS IN U. S. JAN. 1, 1901, $838,698.68

CHAS. LYMAN CASE, Manager.
4 PINE STREET, - - - - - - NEW YORK.

Provident Life and Trust Co.

OF PHILADELPHIA.

The best in Life Insurance is likely to be the cheapest. The same fidelity, skill and care which are necessary to guarantee the future security of a company result in the lowest cost. A good test, therefore, is to determine whether the organization and the surroundings of a company exclude all doubt as to future security. In determining this the question of cost is determined also. **THE PROVIDENT LIFE AND TRUST COMPANY** invites inquiry as to its organization and the provisions for safety afforded. For the full period of its existence the death rate has been only .614 of the rate indicated by the authoritative tables.

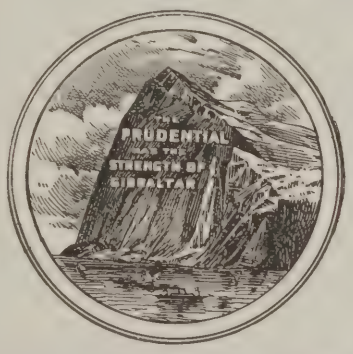
Northern Assurance Company,

OF LONDON, ENGLAND.

EASTERN AND SOUTHERN DEPARTMENTS,

38 PINE STREET, NEW YORK.

GEORGE W. BABB, JR., Manager. T. A. RALSTON, Sub-Manager.



ORDINARY
and
INDUSTRIAL
PROFIT SHARING
POLICIES.

EXCEPTIONAL
ADVANTAGES
TO

..... Active Agents.

WRITE TO

THE PRUDENTIAL INSURANCE CO. OF AMERICA

JOHN F. DRYDEN, President. Home Office: NEWARK, N. J.

TO BE FAITHFUL

...To Policy-holders and Agents

is the motto of the management of the Union Mutual. To serve all interests impartially. To treat all parties with consistent candor. To issue policies of pronounced liberality To make all death payments with the utmost promptness. To be fair in all dealings.

Honest, capable Agents can always have employment with us.

Union Mutual Life Insurance Co.

Portland, Maine.

INCORPORATED 1848.

FRED E. RICHARDS, President. ARTHUR L. BATES, Vice-President.

Address either { EDSON D. SCOFIELD, *Supt.*, 1110 Am. Tract Society Bldg. 150 Nassau St., New York City.
THORNTON CHASE, *Supt.*, 84 Adams Street, Chicago, Ill.

1846—1901.

THE CONNECTICUT MUTUAL LIFE

Insurance Company.

WHERE THE CONNECTICUT MUTUAL STANDS.

During all the long struggle out of which this situation has developed, and amid the many schemes devised to attract public attention and favor to something else than life insurance, the attitude and position of the Connecticut Mutual have never been doubtful.

It has held to the cardinal facts: Life insurance is for the protection of those dependent on a man's life; their dependence makes it his unavoidable duty. Those dependents we assume to protect by our contract, at his personal cost; our duty to them is to make that protection as large, as secure, and as certainly available to them as possible; our duty to him is to make its cost to him as small as possible.

JACOB L. GREENE, President. **HERBERT H. WHITE, Secretary.**
JOHN M. TAYLOR, Vice-President. **DANIEL H. WELLS, Actuary.**

The Metropolitan Life Insurance Co.

(INCORPORATED BY THE STATE OF NEW YORK.)

"The Leading Industrial Insurance Company of America,"

IS REPRESENTED IN ALL THE PRINCIPAL CITIES OF THE UNITED STATES AND IN CANADA. THE PAYMENT OF OVER 250 DEATH CLAIMS DAILY TELLS OF THE GOOD IT DOES. INSURANCE IN FORCE OF OVER $900,000,000 ATTESTS ITS GREATNESS AND FAVOR WITH THE PUBLIC.

Permanent, Profitable and Progressive Employment.

AGENTS WANTED—Any honest, capable, industrious man, who is willing to begin at the bottom and acquire a complete knowledge of the details of the business by diligent study and practical experience can, by demonstrating his capacity, establish his claim to the highest position in the field. It is within his certain reach. The opportunities for merited advancement are unlimited. All needed explanations will be furnished upon application to the company's superintendents in any of the principal cities, or to the Home Office, No. 1 Madison Avenue, New York City.

JOHN R. HEGEMAN, President.

HALEY FISKE, Vice-President. GEORGE H. GASTON, Second Vice-President. GEORGE B. WOODWARD, Secretary. J. J. THOMPSON, Cashier and Assistant Secretary. JAMES M. CRAIG, Actuary. JAMES S. ROBERTS, Assistant Secretary. STEWART L. WOODFORD, Counsel. THOS. H. WILLARD, Medical Director. A. S. KNIGHT, Assistant Medical Director.

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.

FOUNDED 1792.

Assets, January 1, 1901		$9,583,791
LIABILITIES—Reserved for Reinsurance and all other claims	$4,805,254	
Capital Stock	3,000,000	
Surplus over all Liabilities	1,778,537	$9,583,791

Agents in all the principal towns and cities.

CHARLES PLATT, President. EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. BENJAMIN RUSH, Second Vice-President.
T. HOUARD WRIGHT, Marine Secretary. JOHN B. ATWOOD, Assistant Secretary.

Offices in New York: Fire, William and Pine Sts.; Marine, 63 Wall St.

Phœnix Mutual Life Insurance Co.

OF HARTFORD, CONN.

ORGANIZED IN 1851.

Assets, January 1, 1901	$13,278,711.73
Surplus at Four per cent	564,656.73

Total Paid Policy-holders over
—$42,500,000—

ACTIVE AND INTELLIGENT MEN WANTED AS AGENTS, with whom liberal contracts will be made. Desirable territory now open.

The new plans of the Company are brief, clear and liberal. Life and Endowment Policies have endorsed upon them definite cash, loan, and paid-up values, and in case of lapse, insurance is extended without action on the part of the insured.

J. B. BUNCE, President. J. M. HOLCOMBE, Vice-President.
C. H. LAWRENCE, Secretary.
NEW YORK OFFICE: WEED & KENNEDY, Managers, 149 Broadway.

The Massachusetts Mutual Life Insurance Company,

INCORPORATED 1851.

SPRINGFIELD, MASS.

ASSETS - January 1, 1901	$26.245,622.04
LIABILITIES	23,920,986 53
SURPLUS	2,324,635.51

Definite Paid-up and Cash Surrender Values written in every Policy.

JOHN A. HALL, President. HENRY M. PHILLIPS, Secretary.

New York Office: Empire Building, 71 Broadway.

GEORGE J. WIGHT, Manager.

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

VOL. LXV SATURDAY, NOVEMBER 9, 1901. No. 19.

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Checks and money orders should be made payable to the order of THE WEEKLY UNDERWRITER.

THERE is some interesting discussion going on abroad as to whether there is any profit in the reinsurance business in fire underwriting. A well-informed contemporary, the *Post Magazine*, is quite strong in the belief that, so far, a purely reinsurance business in England has never paid. While it has one obvious advantage—that it can be worked at less expense than direct business—on the other hand its perils are rather formidable. Chief among these is the probability that the reinsurer will not get the best of the risks that are seeking cover. The tendency of the direct insurer is to pick first for itself and to let the other company have the remainder. In a group of risks the least desirable certainly will not be retained by the company giving out the reinsurances. In short, to use a life insurance phrase, the selection is against the reinsurer. It may be urged that the cautious manager will take care that there is no discrimination. But he is really not in position to do it steadily, and if he shows a propensity to be severely particular he will suffer from a famine. The live manager wants business; to stand still is death. So his situation, if a reinsurer exclusively, is between possible starvation on one side and probable indigestion of a fatal type on the other. Such, apparently, is the English experience. How much better is it here, where we begin to hear of projected fire insurance companies to take surplus lines only?

THE sale of annuities by life insurance companies, which has long been a feature of their business in England, has recently become active in this country, and, having taken a fresh start, may be expected to grow to be an important part of the business of American companies in a few years. For some time the New York Life was the only company dealing in annuities on a large scale, but since 1897 the Mutual Life has doubled its transactions, which now nearly equal those of the leader in volume, and the Equitable is also selling twice as many annuity contracts as it did a decade ago. Among the other companies which have begun to make this form of investment a specialty is the National Life of Vermont. It has just put upon the market a combined annuity and life insurance contract which for its attractiveness is sure to be popular. Briefly described, it provides that in consideration of the deposit of a stated sum it will pay the depositor an annual return during life and at death that part of the deposit which has not been returned in the annual payments. If the depositor, after the manner of so many annuitants, achieves abnormal longevity and lives beyond the period when the deposit is exhausted, the annuity nevertheless continues until death. Thus the investor lays up a sure provision for life, however prolonged it may be, and the provision begins with the year the policy is taken out. The common objection to annuities, that the deposit becomes the property of the company, although but one payment might have been made before death, is obviated. There are several forms of annuity contracts and the principle is very elastic in its adaptation, and we may look for a large increase in the annuity business in the future, thus opening new avenues for the activities of the workers in the life insurance field.

WE regret to learn from our esteemed contemporary *Insurance* that we were wrong in the inference we drew from Commissioner Giljohann's letter to Commissioner Dearth, that a "genuine, competent and conclusive" examination of the Mutual Reserve Fund Life Association by Mr. Wolfe, at the instance of the two commissioners, is to take place in the "near future." Assuming that our contemporary, as an organ of the association or at least as a journal enjoying the intimate confidence of its officers, would be able to say if our surmise were correct, we begged it, on behalf of the policy-holders, for illumination. In response it produces a letter, purporting to be written by Commissioner Giljohann and addressed to Mr. W. H. Mylrea, Wausau, Wis., under date of Madison, September 18, in which the commissioner says that his action in revoking the license of the association, although in compliance with the law, might have been "a little hasty"; that he did not then know that Mr. Wolfe was an employee of rival companies, as Mr. Mylrea now for the first time informs him; that he was fully aware that the laws of his State prohibited him from appointing any person an examiner for the department who was in any way interested, except as a policy-holder, in any company, and that as he has no desire to injure the association or cause it unnecessary expense at this time, he will accept the certified copy of the examination by Mr. Beehler of the Iowa department "until such time when the New York department, in conjunction with the departments of other States, of which Wisconsin is to be included, and grant a license to the association for the balance of the year." The language of the writer, as quoted, is a trifle incoherent, but our contemporary desires us to understand from the letter that the Wisconsin commissioner has no intention of inviting Commissioner Dearth to co-operate with him, and least of all will Mr. Wolfe represent Wisconsin in an examination, because he is interested in other companies, and the law forbids a person so interested, except as a policy-holder, to be an examiner for the department.

THE letter ought to settle the question we asked, but it raises several others. Mr. W. H. Mylrea, it appears, was the go-between for the association and the commis-

sioner. Was not his letter of September 17, the receipt of which Mr. Giljohann purports to acknowledge on the 18th, really a letter which Mylrea wrote inviting the commissioner to meet him in Milwaukee on the latter date? We have the best reason to know that it was. Mr. Giljohann left Madison on the 18th and met Mr. Mylrea in Milwaukee. He could not have written the letter which our contemporary prints, at Madison that day, because he did not then for a certainty know whether the arrangements depending on his admission of the association would be satisfactory. Also he could not have written it on the 18th, because after he had concluded the satisfactory arrangements at Milwaukee there was not enough time to get back to Madison on the same day and write there. Will Commissioner Giljohann swear that he was not in Milwaukee on September 18 and that he did not go there to confer with Mr. Mylrea? Do the letter files of the department show that this alleged letter of the 18th is copied in the letter book in its proper place? Can the stenographer of the department make affidavit that this alleged letter of the 18th was dictated, written and mailed on that day? The Mutual Reserve Fund is said to have been relicensed at Madison on September 18 and the commissioner was in Milwaukee on that day "conferring" with Attorney Mylrea. Can the commissioner furnish the affidavits of any of the trusted employees of his department—deputy, chief clerk or actuary—that he at any time, under any circumstances, expressed an intention to relicense the Mutual Reserve Fund prior to his visit to Milwaukee and his return from that city, where he met Mr. Mylrea? Can the commissioner produce a single Wisconsin newspaper in which the relicense of the association on September 18 was announced? If a certified copy of the alleged examination, signed by Max Beehler, was sufficient to convince Mr. Giljohann of the injustice done, why was it necessary at all for him to go to Milwaukee on the 18th, since the published letter acknowledges the receipt of Mr. Mylrea's letter of the 17th, with the enclosure of the certified copy of the so-called examination? The fact is our simple minded contemporary has been imposed upon. That letter was not written on September 18 and Mr. Giljohann is not its author, although he may at some time have signed it. It was prepared for him subsequent to its alleged date to meet some embarrassing questions which had appeared in print.

Our esteemed contemporary lays much stress on the assurances of the inexpensively converted commissioner of Wisconsin that he is to be permitted to participate in an examination of the association at some future time. We have no doubt that the commissioner will be allowed that privilege. So would Mr. Dearth and Mr. Wolfe, if they would submit to conversion in the same way. But why this anxiety of our esteemed but sadly credulous contemporary? Does the Mutual Reserve Fund or Mr. Mylrea fear exposure? The association is relicensed in Wisconsin and the examination which its commissioner will make in the near or distant future will do it neither harm nor good. Finally, where did he get that letter and why was it addressed to Mr. Mylrea at Wausau, instead of being handed to him at Milwaukee? This newspaper, we assure our contemporary, knows all the facts, details and circumstances surrounding the sudden conversion referred to, and sometimes an explosion occurs when least expected. As for Commissioner Giljohann's alleged assertion that Mr. Wolfe could not be employed as an examiner for the department because he had done actuarial work for insurance companies, the foolishness of that can be easily exposed. The law excludes as examiner a person who is "an officer or agent of or in any manner interested in any corporation doing business in this State." A person "interested" is one in some way an owner—a stockholder. A consulting actuary is not. He bears the same relation to an insurance corporation as an attorney-at-law does. Mr. Mylrea for years has been an attorney for insurance corporations doing business in Wisconsin, yet he has acted as examiner for Commissioner Giljohann. To cite further, Messrs. Whiting, Fackler, Brinkerhoff, Wright, Foster, Wolfe, Dawson and others, as consulting actuaries, have frequently acted for State insurance departments and were never considered interested or having individual concern in insurance corporations. And now a word as to Mr. Wolfe. That gentleman has been ferociously, not to say feloniously, attacked by *Insurance*. We do not know that he cares to have the outburst of our contemporary noticed. He can hardly be under any apprehension that it will harm him. That the attack emanates from the Mutual Reserve Fund, which hates and fears him, deprives it of any point. He will doubtless go on his way examining insurance companies for departments and at their own request for some time to come—certainly long after the Mutual Reserve Fund has gone to the bow wows—always "drastically," as it is his duty to do, never superficially and fictitiously, as it is his duty not to do, and always, we believe, with satisfaction to his clients and honor to himself.

Facts and Opinions.

A contract has just been entered into by Mr. W. S. Southworth, agent of the Massachusetts Cotton Mills, Lowell, Mass., and a compressed air company for the installation on the grounds of the mills of the system of traction manufactured by the company adverted to. This includes the establishment of air compressing machines operated by water power and the furnishing of several air locomotives in which the air power will be utilized. The insurance point in this transaction is embodied in the fact that the factory mutual companies underwriting the property of the Massachusetts Cotton Mills object to the introduction therein of any traction machines operated by either steam or electricity on account of the fire hazard involved by the issuance of sparks from steam locomotives and the possibility of sparks generated by the trolley wires which furnish the power for electric locomotives. Mr. Southworth, after a long and careful study of the feasibility and expense of using animal or cable power for this purpose, reached the conclusion that the interests of both safety from fire and economical working would be subserved by the introduction of the compressed air system. The amount of trackage thus to be operated comprises some three and one-half miles out of doors and about two miles under cover of the buildings. The raw materials, largely of an inflammable nature, principally cotton and various oils used in the processes of manufacture, will be hauled into the mills entirely free from the spark danger, and the finished product will be similarly delivered to the Boston and Maine Railroad Company, which is the outlet for Lowell freights. It stands to reason from an insurance standpoint that a notable diminution in the fire risk must be effected by the introduction

into special hazards of traction systems that do not depend directly upon any process of friction or combustion for their motive power.

THE Mutual Reserve Fund Life Association has sent the following circular to former members who lapsed their policies, proposing a scheme by which they may resume their membership without payment in cash of the premiums accruing during the lapse:

DEAR SIR—The last opportunity to preserve the value of the policy which you formerly held in the Mutual Reserve Fund Life Association is hereby afforded you. The association is about to take advantage of the new insurance law of the State of New York, and reincorporate as a mutual level-premium company. The advantages of such a change to every member are obvious. As you doubtless know, the policies written by such a company contain provisions for guaranteed loan, cash surrender, paid-up and other values. You loyally stood by the association for many years and paid in considerable money. Under present conditions there is no way in which you can get any of this money back, but if your policy is reinstated now you will, when the association reincorporates, be entitled to the same benefits as though your policy had never lapsed. In order to give you every advantage of your former membership and to render the reinstatement of your policy as easy as possible, the association will not require you to remit the past due premiums in cash, but by order of the executive committee will reinstate the policy (provided, of course, you are in good health), and allow the insurance equivalent of all unpaid assessments, premiums or dues prior to November 30, 1901, to remain as a lien against the policy and any surplus or other values thereunder.

The policy-holder is assured that this offer will never be made again, and he should hurry up if he would take advantage of it. The advantage, however, is illusory. If the amount of the original policy was $1,000, and the liens charged up against it are $600, the reinstated policy-holder will realize $400 at death. As he must submit to an examination as to health before he can be reinstated, and will have to pay the full premium on $1,000, the face value of the policy, plus interest on the lien, which will amount to more than the premium on $400, the net value of the policy in any established "level premium" company about whose permanence there is no doubt, what can be the inducements for his going back into the Mutual Reserve Fund?

THE report of Col. W. C. Nelson, secretary of the Kentucky and Tennessee Board of Fire Underwriters, to the president and executive committee, dated November 6, states that during the past board year 115 towns in Kentucky and fifty-eight towns in Tennessee have been rated, and eighty-seven towns in Kentucky and forty in Tennessee mapped. Three rating commissioners have been employed. During the year also forty-six local boards and eighteen stamping offices were instituted in Kentucky, and twenty-one local boards and seven stamping offices in Tennessee. The cost of conducting the board, including the expenses of the rating commissioners, was $13,531.84. Regarding the stamping office system, Secretary Nelson said:

Without exception, in the towns where we have stamping offices, the results have been found to be infinitely more satisfactory than in towns where we do not exercise this supervision. Our records demonstrate conclusively that not only do we secure uniform rates in all of these places, but that the premium receipts have largely increased during the past year in every one of these places. Considering the good results obtained, I would respectfully recommend that this system be extended to various other points, where, in my judgment, much friction which now exists could be avoided and harmony and good feeling secured.

At the meeting of the board on Wednesday it declared by a vote of 22 to 16 that all whiskey in bond be placed in the graded commission list and in the 25 per cent. class. Whiskey in free warehouses on distillery property was also included. Semi-annual meetings were ordered. The employment of an inspector whose time shall be exclusively devoted to the association territory was also ordered. Officers were elected as follows: President, H. R. Bush, Louisville; vice-president, Frank G. Snyder, Louisville; secretary, W. C. Nelson, Louisville; executive committee, A. H. McAtee, E. W. Bentley, J. L. Smith, J. W. Powell, S. B. Kennedy, J. C. Lucas and C. B. Rogers, all of Louisville.

THE Supreme Finance Keeper of the Supreme Tent of the Knights of Maccabees, Charles D. Thompson, is a self-confessed defaulter in the sum of $57,000. The order, however, is protected from loss by Thompson's surety bond. The shortage is acknowledged in a letter to D. P. Markey, Supreme Commander of the Order, in the course of which Thompson says:

It is with a feeling of distress and shame that I tender herewith my resignation as supreme finance keeper of the order of which you are the head. And this step is taken with a bitter realization that I am no longer worthy the companionship and association of my fellow officers. I have held the position since the order was founded, have during most of that time been officially associated with the present supreme officers, and never until now did I in any way betray my trust. I was engaged in a legitimate business venture, in which I had made a large investment, and found myself in a position when further money was necessary to save myself from bankruptcy and ruin. There was apparently no chance for loss. I then betrayed my trust and used the funds of the order, at the time believing there was no question of my ability to replace them within a short time. The amount I used was $57,000. I have no hope of being able to repay this amount. I know the order is protected from loss by the surety bond of nearly twice the amount in a perfectly responsible company, but this does not lessen my mental suffering, nor relieve me from the disgrace of having betrayed the confidence reposed in me. Nothing that may occur can increase the tortures which I have suffered and am still suffering. I can only await such action as may be taken and abide the consequences.

AT last Saturday's meeting of the New England Insurance Exchange the electrical hazards committee recommended the adoption of a form of policy for telephone exchanges suggested by the National Board of Fire Underwriters. The recommendation was ordered printed and laid over two weeks under the rules The form reads as follows:

Telephone Form: On machinery, apparatus, tools and implements, cables, wires and cords, furniture and fixtures, printed and blank books and stationery, material and supplies, their own or held by them in trust, or on commission or leased, for which the assured may be legally liable, or sold but not delivered, all while contained in or on the Telephone Exchange stations, hereinafter more specifically mentioned and described, and not to exceed in amount the sums set opposite each place or locality.

(Here follows description of the places and amounts covered.)

This company shall not be liable for any loss or damage resulting from any electrical injury or disturbance, whether from artificial or natural cause, in or to any of the property hereby insured, unless fire ensues, and then for the loss resulting from fire only. Nor shall this company be liable for any greater proportion of any loss than the amount hereby insured at each place bears to ..... per cent. of the actual cash value of the property insured at such place.

It is further understood and agreed that in case of any loss or damage by fire, the assured is at liberty to make immediately all necessary repairs, notice of such loss to be given to the company without delay.

LAND has been acquired by the Springfield Fire and Marine insurance company at the corner of State and Maple streets, Springfield, Mass., upon which will be built a large fireproof office building of five or six stories. Ground will not be broken until next spring, and the plans for the building have not yet fully matured, but the two top stories or more will be occupied by the company, while the lower stories will be devoted to other offices, for dentists and physicians in particular. There will not be any stores. To President A. W. Damon the enterprise is due. The Springfield *Republican* says:

The business of the Fire and Marine insurance company has been increasing so rapidly that it has altogether outgrown its present quarters on Main street. It was a question either of remodeling the old building or putting up a new one. The decision to build having been made by the board of directors at its meeting on Tuesday, the necessity of seeking quarters during the remodeling process will be obviated. The business of the company being wholly by correspondence, there being over 4,000 agents distributed all over the country from Maine to Honolulu, and Alaska to Florida, it was not felt necessary that it should be located on Main street. Springfield is growing, and those firms which can leave Main street with-

out detriment have only gain to make by leaving it early and securing the choice positions on other streets nearby.

SUIT has been brought by the Hunt Brothers Company, of Oakland, Cal., and twenty-four fire insurance companies which carried insurance on their plant at Haywards, Cal., burned April 12, as joint plaintiffs against the San Lorenzo Water Company, which supplied the cannery at Haywards with water. The suit is to recover damages in the sum of $124,496.98, and is based on the allegation that the water company failed to connect its main with a hydrant near the works, according to agreement, this, as is alleged, being the indirect cause of the destructive conflagration. According to the complaint, the cannery and other buildings at the time of the fire were worth $125,000. Insurance in the sum of $126,500 was being carried at the time. The insured property destroyed by the fire is stated to have been worth $91,221, while that not covered by insurance is estimated at $13,275.56, making an actual loss to Hunt Brothers and the insurance companies of $104,496.98.

THE October fire loss in the United States and Canada sent up the ratio again after it had fallen in September next to the lowest point in nearly three years. The *Journal of Commerce* prints the following table giving comparisons by months for the first ten months of three years:

	1899.	1900.	1901.
January	$10,718,000	$11,755,300	$10,574,950
February	18,469,000	15,427,000	13,992,000
March	11,493,000	13,349,200	15,036,250
April	9,213,000	25,727,000	11,352,800
May	9,091,900	15,759,400	22,380,150
June	6,714,850	21,281,000	9,590,000
July	11,426,400	13,609,100	15,740,000
August	9,703,700	10,298,250	8,334,000
September	12,778,800	9,110,300	7,645,200
October	12,046,250	7,107,000	14,749,900
Totals	$111,654,900	$143,423,550	$135,404,250

During October there were 204 fires of a greater destructiveness, each, than $10,000, and fifteen fires of a greater than $200,000.

WESTERN cities continue their opposition to the enforcement of the new mercantile schedule. The Union holds that when it is better understood and further tested there will be less antagonism. A committee of the governing committee, made up of Chairman Eustis and Managers Purcell and Marshall, went to Milwaukee yesterday to go over the matter with the local board there, which has an idea that it is being used as "the dog" upon which all experiments are tried, because there are no longer any Milwaukee companies members of the Union. The committee has shown the policy of the Milwaukee board in the matter of new schedules by turning up an entry in the minutes made at the time of the adoption of the present schedule there, to the effect that it should not begin when it increased rates, but only when it reduced them. Lincoln, Neb., is also on the warpath. The large merchants there are threatening to place their business with the mutuals, which is nothing but a bluff, and are making all they can out of a few propositions from the individual underwriters of New York.

THE National Indemnity and Insurance Company of Baltimore has reinsured its risks with the General Accident Assurance Corporation of Perth, Scotland, now doing business in this country. A circular to policy-holders by the manager of the former company says:

This company was organized with a view to writing health insurance exclusively. It has been demonstrated, however, that health insurance is chiefly written by agents engaged in life and accident insurance, and only as a side line. Your management was therefore confronted with the necessity of either adding accident insurance to its lines, necessitating reorganization and re-entry into the various States in which we have been doing business, or of undertaking to interest active workers in the plan of health insurance to the exclusion of their other lines. The solution of this later problem, however, involved an expense element that we considered as unwarranted, and it has, therefore, been decided to consolidate our business with that of a prominent health and accident company which is already well organized and doing a highly successful business. The management of the National begs to say, therefore, that reinsurance arrangements have been completed with the General Accident Assurance Corporation, Limited, whereby that corporation reinsures the risks of this company in accordance with their letter of this date, forwarded to you herewith.

A SUIT has been filed in the Superior Court at Savannah, Ga., against the Mutual Reserve Fund Life Association of New York for $11,500. It is claimed that $10,000 of the sum asked for is due on a policy issued to the late Charlton H. Way, and that the remainder should be paid for the trouble to which the plaintiff has been put, and the expense which has been brought about by the litigation. It is alleged that Colonel Way took a policy for $10,000 in the defendant company on June 2, 1886, and that he paid the premiums as they fell due. It is admitted that in the latter part of 1894 there was some dispute about the payment of an assessment, and that the company claimed that Colonel Way was in arrears. According to the petitioner the matter was arranged in 1898 satisfactorily and Mr. Way was once more recognized as a bona fide holder of one of the company's policies. The petition relates that Colonel Way died on July 2, 1900, and that while the company admitted its liability it has refused to pay the claim.

AT the special meeting called by the directors of the Atlas Assurance Company to present to the proprietors the Phœnix amalgamation proposals, the chairman, Mr. Prescott, made the following comforting statement relative to the continued employment of the official staffs of the two companies at home and abroad:

While on this head I may mention incidentally that provision has been made for the Atlas staff at home and abroad. We could not contemplate for a moment, nor were we asked to do so, the sacrifice of any competent existing Atlas official or agent, and the same applies to the Phœnix Company. The staff of the two companies will be the staff of the amalgamated company. The sacrifice of no legitimate interest was one of the bases of these negotiations. The object of each company is a union of forces, not an abandonment of any official, agent or connection who brings grist to either mill. Conservation of energy, not dissipation, is the idea of both boards, in the firm belief that union will be strength. And strength when allied with bulk goes a long way toward prosperity in insurance undertakings.

THE conference called by the executive committee of the National Board of Fire Underwriters to discuss uniform practices in the various fields will be held in the city of New York on next Tuesday, November 12. The National Board representatives will be F. C. Moore, chairman; J. H. Washburn, Henry W. Eaton, F. O. Affeld and E. O. Weeks, and the other organizations to take part will be represented as follows: Underwriters' Association of the Middle Department, Paul Turner; Underwriters' Association of New York State, J. M. Carothers; Western Union, Truman W. Eustis; Philadelphia Underwriters' Association, Herbert Wilmerding; South Eastern Tariff Association, H. C. Stockdell; New England Insurance Exchange, George Neiley. The Chicago Underwriters' Association, Boston Board of Fire Underwriters and New York Fire Insurance Exchange have also been invited to send representatives.

A NOTICE has been issued by Superintendent Wagner, of Missouri, that until the State courts have finally ruled on the question of a uniform fire policy it will not be required by the

department. Some question has been raised as to the constitutionality of the law, the Supreme Court declaring the section governing the uniform policy to be unconstitutional on a legal technicality. Mr. Wagner has further ruled that return premiums, but not reinsurances, may be deducted in making returns for taxation. This position has been taken by the department after consultation with the Attorney-General's office. Reinsurances were excluded as a credit on the ground that taxation might be evaded by the reinsuring companies failing to make the report of the business written.

THE entry of the Fidelity and Deposit Company of Baltimore into the United Kingdom is regarded by the *Review*, of London, as an event of considerable interest, in view of the practical absence in that country of one of the kinds of underwriting which the company proposes to do—that of guaranteeing contracts; that is, the insuring of capitalists or corporations of any sort against loss by failure of a contractor to fulfill his obligations. The bankers of the company in London are J. S. Morgan & Co. and Brown, Shipley & Co., and the trustees for Great Britain John Pierpont Morgan, Jr.; Clinton Edward Dawkins and Lord Revelstoke.

THE executive committee of the Chicago Underwriters' Association held a special meeting on Tuesday and approved the action of the officers in signing the lease for the new quarters on the top floor of the National Life Building, now in course of erection, in Chicago. The association will have the exclusive use of a commodious assembly hall, which it is expected to tender for the use of insurance gatherings in general. The original proposition was that the hall should be for the use of any association; but the insurance men insisted upon having it for their own, even though they had to pay more for it.

THE buildings on Water street, Boston, occupied by the Obrion & Russell insurance agency are soon to be torn down, and a modern six story structure will be erected in their place. It is expected that the new building will be ready for occupancy by the middle of next year. It will be occupied entirely by Obrion & Russell, the growth of whose business compels more spacious accommodations than those now at their command. While the new building is being put up the firm will have temporary quarters at 115 Water street, the offices recently vacated by the F. G. Macomber agency.

THE indefatigable Attorney-General of Oklahoma is now on the track, by detective and proclamation, of one J. E. Johnson, who is traveling through the Territory taking business for the "Phœnix insurance company of New York; J. W. Smithfield, president; C. C. Gardner, secretary," a company which has no existence. "Anyone knowing the whereabouts of this man Johnson," says the Attorney-General, "will confer a favor upon this office by notifying the county attorney of Kay County at once where he is, so that he may be arrested and punished for obtaining money under false pretenses."

THE receiver of the Policy-Holders' National Union, appointed recently at the request of creditors, has reported that the assets are $471.25 and the liabilities $2,435.95. The company claimed assets of $7,399.60 and liabilities of $2,435.45; but the furniture bought for the various offices about the country was subject to liens for salaries and promised profits on stock.

WHILE October was a bad month for nearly all the Western fire insurance departments, a few scored notably good showings. The Liverpool and London and Globe's department reported the largest premium receipts of any month in its history, and a loss ratio only a little over 30 per cent. But earlier in the fall, when the other departments were doing well, this company was catching the losses. Its October business is specially large, because the company profited so much by its action in paying losses at the time of the Chicago fire, which is still apparent in the renewals of the month.

THE case of the Mutual Life insurance company of New York against Lydia Wright Pearson, widow of James C. Pearson, of Boston, for recovery of a policy for $240,000 issued to the latter the day before his death, has been assigned for a hearing in the United States Circuit Court at Boston on November 26. The case is attracting widespread attention, because Pearson, without the knowledge of the company, sustained an operation for appendicitis on January 8 of this year, the very day the policy was issued, and died from its effects the following day.

THE Baltimore Mutual Life and Annuity Company, which was chartered two years ago in Maryland and made no deposit, because it claimed that it would do business on the assessment plan, has been notified to put up a deposit of $100,000, as it has been issuing "old line" policies. The complaint against it was made by the executive committee of the Baltimore Life Underwriters' Association. The company denies the charge, but nevertheless says that it will make the deposit within the time specified, which is November 15.

THE *Western Economist* boasts that the Associated Fraternities of America, of which it is the organ, "although less than a year old, has accomplished more for its members than the National Fraternal Congress has in sixteen years of its existence." Also that "it is strictly a business organization, designed to benefit all its members, and is not maintained for the special aggrandizement or benefit of a few." The rivalry of the two sets of fraternals is often amusing.

THE pressure on the New Orleans city council to lessen its restrictions on the storage of oil for fuel has proved stronger than that of the insurance men to hold them, and Tuesday night the council committee passed an ordinance permitting the storage of the oil under the sidewalks and in various hazardous places throughout the city. The use of Texas oil for fuel is growing very rapidly.

AN insurance sharper masquerading under the name of "Dr." Hassell has been arrested in Robeson County, N. C., at the instance of Insurance Commissioner Young, who has been on his trail for some weeks. Among the companies for which he solicited was the "Old Wayne Life insurance company of Indianapolis."

SEVERAL large capitalists, together with Postmaster Cornelius Van Cott, Charles R. Perkins, of the Magdeburg Fire, and A. Romeyn Pierson, insurance broker, are organizing the Republic Fire insurance company of New York. Capital a half-million of dollars.

THE right of D. R. Hite to bring a libel suit against J. P. Davis and the Kansas Mutual Life insurance company was decided affirmatively by Judge Hazen at Topeka on Tuesday. Hite wants $70,000 damages.

THE Mississippi newspapers state that Governor Longino will in his biennial message recommend the establishment of a new

State department to supervise the business of insurance, in accordance with the lines advocated by Auditor Cole.

THE electrical committee of the Underwriters National Electrical Association, of which Mr. C. M. Goddard, of Boston, is secretary, will hold a meeting in the rooms of the New York Board of Underwriters on December 3.

BECAUSE the Massachusetts statutes forbid the issuance of a life, accident and health policy by a life insurance company, the Bankers Life of New York will not be allowed to write its Twentieth Century Policy in that State.

THE *American Fireman*, of Philadelphia, B. F. Hughes editor and publisher, is printing serially an entertaining illustrated history of the Volunteer Fire Department of Philadelphia and the various companies connected with it.

THE special session of the Massachusetts Legislature regarding the revision of the statutes is set for next Wednesday. Among the matters to be acted upon is a modification of the powers of the State Fire Marshal.

RATES have been thrown open in a number of North Carolina towns, including Salisbury, Mount Airy, Concord, Reidsville and Mooresville by the executive committee of the South Eastern Tariff Association.

THE National Union Fire insurance company of Pittsburgh was admitted to Massachusetts last Wednesday, and its general agency for Massachusetts has been conferred upon F. G. Macomber, of Boston.

THE advent of the newly organized Anchor Fire of Cincinnati in New York is expected by December 1. John Howley and John E. King will be the Eastern managers.

THE Universal Casualty Company of Milwaukee has been organized, and will engage in an accident business in a number of States, if it should be admitted.

THE Iowa fire insurance agents are making an active campaign against the valued policy law, and have a literary bureau aiding them.

THE Chicago line of the American Linseed Oil Company, covering several large plants, has been given to Case, Shepherd & Co.

THE Northwestern Fire and Marine of Grand Forks, N. Dak., is reported to have increased its capital to $200,000.

ADMISSIONS: State Fire of Liverpool to Missouri; Union Surety and Guaranty of Philadelphia to Iowa.

THE Aachen and Munich will apply for membership in the Western Factory Insurance Association.

Personal

AGENCY APPOINTMENTS.

Allemannia, of Pittsburgh: Theodore F. Gatchell, of Des Moines, general agent for Iowa.

Delaware and Reliance: Charles H. Cummings, of Peoria, special agent for Illinois, Indiana and Iowa.

German of Freeport: A. G. Ridling, of San Francisco, special agent for the Pacific Coast.

Girard Fire and Marine: G. W. McNear & Co., of San Francisco, have resigned the Pacific Coast general agency, and the company will not appoint a successor.

Indemnity Fire of New York: D. W. Burrows & Co., Chicago and Cook County, transferred from W. G. Lemay & Co.

Mutual Benefit Life: Richard H. Pickering and George Stiles, general agents for California and Nevada.

National Union Fire of Pittsburgh: F. G. Macomber, Boston.

Pacific Mutual Life: Henry S. Jackson, of Atlanta, general agent for Alabama and Georgia.

Palatine: E. I. Richardson & Sons, Baltimore, Md.

Pennsylvania Fire: Charles L. Crane & Co., St. Louis, Mo., transferred from Frank C. Case.

Phenix of Brooklyn: W. C. Cree, special agent in the mountain field, with headquarters at Denver, Col.

Philadelphia Underwriters: J. M. Waller, special agent for Virginia, Maryland and the District of Columbia, lately special agent of the Greenwich for Virginia and North Carolina.

Union of Philadelphia: Adolph Loeb & Co., sole agents for Chicago and Cook County, Ill.

United States Casualty: Charles A. Randall, Lowell, Mass.

Mr. Caleb E. Tillinghast, late vice-president of the Provident Savings Life Assurance Society of New York, died at Roosevelt Hospital in this city on Friday, November 1, after a short but severe illness. Mr. Tillinghast was a native of Windham County Conn., where he was born in 1840. He entered upon the life insurance business in 1871 as general agent of the Phœnix Mutual Life at Providence, R. I. In 1876 he represented the New York Life in Kansas, Nebraska, Texas and Colorado. After five years in this position the Equitable Life secured his services as manager for the southern portion of Ohio. Mr. Tillinghast remained with the Equitable until 1892, when he resigned his position with that company, and in connection with his two sons accepted the management of the Manhattan Life for Pennsyivania, Indiana and Ohio. Mr. Tillinghast was one of the organizers of the Cleveland Life Underwriters Association and was its president in 1891. He was a member of the executive committee of the National Association of Life Underwriters continuously from its inception to his death, and in 1892 was unanimously elected its president. In 1897 Mr. Tillinghast was elected to the vice-presidency of the Provident Savings Life, which position he resigned in 1899 on account of ill health, retiring from active business at that time. He leaves a widow, and among his surviving sons is E. R. Tillinghast, superintendent of agencies of the Provident Savings Life.

Rev. James A. Duncan, D. D., pastor of the Centenary Methodist Church of Chattanooga, Tenn., has resigned the pastorate to devote his time in the future to the life insurance business. He has formed a partnership with R. S. Faxon, and will represent the Equitable Life Assurance Society in the Chattanooga district. Mr. Faxon is the head of the well-known fire insurance agency.

Prof. William P. Stewart, of the Mutual Life, was the guest of honor at a dinner given by the Kansas State agent, Mr. Kidder, at Topeka, October 31. There was a large collection of agents present. Professor Stewart opened his school at Kansas City on Monday and Tuesday of this week, and on Tuesday night was the guest of the company's general agent there at a banquet.

Mr. Thomas Egleston, the Southern general agent of the Hartford Fire, will, says the Atlanta *Constitution*, be invited to stand as a candidate for the vacancy in the Georgia Legislature caused by the death of the Hon. Porter King. Mr. Egleston is absent from Atlanta, but if he will accept will be nominated by the Democratic County Committee.

Mr. William Burns, who recently resigned the assistant secretaryship of the Eagle Fire Company of New York, is laboring at the organization of a new fire insurance company, to have $200,000 capital and $200,000 surplus, which will, at first, confine its business to the New York metropolitan district.

Mrs. Martha J. Sisk has been appointed by the Union Central Life to be manager of its newly organized women's department at Boston, Mass., which will have general jurisdiction of that class of business in New England. Mrs. Sisk has recently been a general agent for the Phœnix Mutual Life.

Mr. John E. Agar, formerly manager of the Pacific Coast branch of the Mutual Life, died at San Francisco October 30, aged seventy-six years. He went to California with the Forty-niners and was a member of the famous Vigilance Committee of San Francisco.

Mr. H. H. Wells, special agent of the North British and Mercantile in the Northwest, with headquarters in Minneapolis, has resigned to connect himself with the Chicago office of the Western Adjustment and Inspection Company.

Mr. Charles L. Woodside, secretary of the North American insurance company of Boston, has resigned from active membership in the New England Insurance Exchange and has been elected an honorary member of that body.

Mr. J. D. Sutton, of Kansas City, Mo., for many years the general agent of the Washington Life, with headquarters at Indianapolis, Ind., died at the former place on Monday after a long illness.

Mr. H. C. Bliss, of Springfield, receiver of the Bay State Beneficiary and the Masons Fraternal Accident associations, has been elected to the Massachusetts State Senate.

Mr. J. M. Burke, at Middlebury, Vt., has purchased the insurance agency business of the late L. D. Eldredge. It represents a number of prominent companies.

Mr. George H. Allen, for many years special agent of the Manchester for New England, has opened an office in Boston as an independent adjuster.

Mr. C. C. Rothier, special agent of the Orient in Ohio, has resigned, the resignation to take effect January 1.

Superintendent Church, of Kansas, announces that he will not be a candidate for re-election next year.

Insurance Legislation.

Complete copies of all important bills in the legislatures affecting insurance are on file in the office of THE WEEKLY UNDERWRITER.

Georgia.

ATLANTA, Ga., November 4.—Mr. Miller has introduced House Bill No. 524, providing that any fire insurance company authorized to do business in this State is prohibited from authorizing or allowing any person, agent, firm or corporation who is a non-resident of the State of Georgia to issue or cause to be issued any policy or policies of insurance or reinsurance on property located in the State of Georgia. Any person, firm or corporation licensed by the Insurance Commissioner to act as fire insurance agent is prohibited from paying any commission, brokerage or other valuable consideration on account of any policy covering on property in the State of Georgia to any person who is a non-resident of this State or to any person not duly licensed by the Insurance Commissioner as a fire insurance agent.

Mr. Wright has introduced House bill No. 547 to amend Sections 2034 and 2011 of the civil code of Georgia with reference to the regulation of the business of insurance in this State and the method of incorporating insurance companies; also to provide a method of incorporating stock mutual insurance companies, the organization and operation of the same, and for other purposes.

ATLANTA, Ga., November 5.—House Bill No. 128, the valued policy bill, which was introduced in last year's session of the Legislature by Mr. Blue, when it received one reading, and was laid over to the present session, came up to-day in the House on an adverse report from the insurance committee. The following is a report of the discussion on the bill:

Mr. Blue explained the measure and why he thought the passage of it was necessary.

"Do I understand that this bill requires an insurance company to pay the full face of a policy whether the property destroyed is worth it or not?" asked Mr. Wight, of Dougherty.

"Yes, sir; that's just exactly what it means," Mr. Blue said.

"Then it seems to me it puts a premium upon fraud," said Mr. Wight. "Is that not true?"

Mr. Blue disclaimed this, and declared that insurance companies now came in after a loss and refused to pay the full amount of the policy on the ground that the property was not worth it. He contended that the policy-holders were in this way frequently defrauded of what was due them.

Mr. Slaton, of Fulton, made a strong and forceful speech against the bill. He showed how it would injure the bona-fide insurance companies by putting a premium on fraud. People could insure for more than the value of their property and thus defraud the companies. It would put a premium on arson and incendiarism, persons criminally inclined being given the opportunity to make money unlawfully by reason of this law. The wildcat companies have been expelled from the State, Mr. Slaton said, and no act should be passed to hamper and destroy the business of the good insurance companies, as that one would do.

Mr. Blue introduced a substitute for the original bill, which was adversely reported by the committee. The substitute changed the measure very little in effect, providing that the full face of the policy should be paid in all cases of total loss.

Mr. George, of Morgan, advocated the measure on the ground that whenever a policy was issued the insurance company always inspected the property and did not insure for more than it was worth. And when a policy for $3,000 is issued on a house under these circumstances, and the premium is paid on it, Mr. George contended the policy-holder was of right entitled to the full amount where his loss was total.

Mr. Shipp, of Colquitt, declared the measure the most vicious that had ever come before the House since his connection with it. He opposed it on the ground that it would encourage fraud and crime.

At the conclusion of the speech of Mr. Shipp, the adverse report of the committee was disagreed to by a vote of 59 to 37, and the bill will come up on the question of its passage later on.

House Bill No. 494, by Mr. Little, which exempts certain industrial life insurance agents from a license tax, was favorably reported by the committee, and passed its first and second readings.

Miscellany.

The Proposed Supervision by the National Association of Local Fire Insurance Agents Over Efforts to Influence Proper Insurance Legislation.

The following circular has been issued by the officers of the National Association of Local Fire Insurance Agents to the president and executive committee of each State association:

At the Put-in-Bay convention the inclosed constitution and by-laws were adopted, with the proviso that article 4 of the by-laws should not become operative until ratified by the executive committees of twenty-five State associations. The convention having canvassed this proposition and sent it to the States for ratification, every consideration now requires its prompt acceptance.

The proposed national supervision over State legislation has received high commendation from the insurance press. The main reason for proposing this by-law is to reassure some powerful influences in our business and to allay their fears of confused State legislation. Such increased confidence in the national association movement will result in more rapid enrollment of new members, and a swifter development for the State associations. If by-law No. 4 is promptly ratified, then all branches of our business will know that the associations are of one mind in this as they have heretofore been in all other important movements. Prompt approval is the best guarantee that the new rule will work satisfactorily; immediate ratification will indicate thorough confidence and good will throughout our entire organization. So much for the argument for a prompt response.

The reasons for proposing any supervision of State action can be divided into two classes—those based on the effect of the new rule on outside opinion regarding our association, and those based on the effect of the proposed rule on our organization itself.

The new rule will give the companies and managers confidence in our associations and secure their assistance in recruiting the associations, because,

First—Proposed legislation can then be withdrawn if deemed unwise by our legislative committee, composed solely of local agents representing the best thought of our members in the different sections of the United States. Such a broad average of opinion is regarded by all as safe.

Second—Good legislation can be suggested to the State associations and their interest aroused by our national committee. This committee ought to be of substantial assistance to State associations by giving them suggestions based on collected legislative experience of all the States. Our national legislative committee is also in close touch with the Association of Insurance Commissioners of all the States.

The acceptance of the proposed by-law will have important effects on our own organization.

First—It cements forever the State associations into an effective national organization; it enlarges the unit for defense and co-operation from State to national size.

Second—No State association can be singled out and blamed for working for laws that have been approved by the national legislative committee. This will promote good will and co-operation between State associations of agents and district associations of managers.

Third—We shall become full partners with each other in planning and executing general legislative programmes, and our

association will then stand so strong that no doubt of its importance and dignity can longer exist in any agent's mind.

As compared with the foregoing great and far-reaching advantages to result from the ratification of article 4, we can see no substantial disadvantage to any State association. We believe that the good sense of the national committee will cause it to limit its recommendations to the utmost degree consistent with the safety and reputation of the National Association. The national committee will naturally avoid unnecessary interference with the desires of the State associations, not only because an unrestricted and healthy initiative among the State associations is necessary for the best development of the business, but also because the National Association (comprised of delegates from the State associations) would promptly rebuke a national legislative committee that interfered unnecessarily in projects purely local. Lastly, the national convention and the State associations that pass article 4 can likewise repeal it and withdraw all power from the national legislative committee, if article 4 is found to work unsatisfactorily. Meantime we respectfully request that your State executive committee add its testimony to the essential unity of the agents' associations by ratifying immediately the action of the Put-in-Bay convention.

Requesting prompt notification of your action, we remain,

Fraternally yours, GEO. D. MARKHAM, President.
Approved, FRANK F. HOLMES, Secretary.
C. H. WOODWORTH, Chairman Executive Committee.

Why the Atlas Joined the Phœnix—The Public Like Big Companies.

The reasons why the directors of the Atlas of London believed it to be good policy for that company to amalgamate with the Phœnix were given by Chairman Prescott, of the Atlas, at a meeting of its shareholders called to consider the proposition October 22. Mr. Prescott said:

At the outset, then, I would say that your company is to-day in a sounder and more prosperous condition than at any former period of its existence. Not only is its business larger, its funds and reserves larger, and your dividends larger, than at any date since its establishment in 1808, but its connections are more widespread, its agents are more numerous, its organization is more complete, and its basis is broader. This being the case, I can imagine some of you are saying, "Then why do you propose to merge it with another company?"

Gentlemen, I will tell you. It is not enough in these days that an insurance company should be strong, healthy and vigorous to insure for it a continued career of prosperity and growth. It must, in addition, have the capacity to develop, to attract confidence, and to present to the public a security as good as, or approximately as good as, most of its competitors. Now, as to development, the Atlas is practically at work already throughout the whole world, and the business which it draws from every quarter of the globe cannot be rapidly or appreciably increased unless we increase the amounts we retain on individual risks to a figure out of all proportion to our capital and resources, and thus incur the danger of much heavier individual losses than would be prudent. There is another way by which we might no doubt increase our premium income, and that is by increasing the number of our branches; but were we to do this our expenses would grow out of all proportion to the increased business secured by such extension for many years to come. The cost of transacting insurance business is already too high, and, although we have not reached the ratio of expense of some of our friends, yet we could not view a higher expense ratio without concern.

Well, then, as to the second requirement—that of attracting confidence. All things in this world are relative. Compared with some of our friends, we are a large company, both in point of view of premium income and funds. But, as compared with others, we are but a small company; and I think you will admit that in almost every branch of business the public are drawn to concerns with large figures, a big turnover, an ample capital and gigantic reserves—in fact, there is no more attractive advertisement than high figures, coupled with sound management and good investments. If for ordinary purposes the public prefer to deal with leviathan firms, how natural that when they want insurance against loss, which may be called for at any moment, and which may not be required for years, they should prefer to go to companies with the largest funds. This preference is seen every day, and not infrequently old customers, who were quite content with the Atlas when, in addition to its capital, it had fire funds of £150,000 only, are not now satisfied when those funds are trebled.

And the reason is plain: there are now many more companies than there were thirty years ago with distinctly larger incomes and funds than we possess. They may not all be stronger, but the public do not look to strength so much as to size. They are attracted by a company having a million premium income, more than by one having a half million. And when, as is the case with several of them, their incomes are one-and-a-half millions, and in one case over two millions, the smaller companies find themselves out of the running. They are not capable of offering to the public, in appearance at any rate, although they may do so in fact, as good security as the giants which have grown up in recent years.

These considerations have been present to the minds of your directors for some time past, and consequently when overtures were made by our friends, the Phœnix, whose invitation to our general manager to become their chief officer had been declined, when, I say, overtures were made by the Phœnix for a marriage of the two concerns, it was felt by my colleagues and myself that our clear duty was not summarily to reject those overtures, but rather carefully to look into the matter, and if we came to the conclusion that the interests of the shareholders and the life policy-holders would be served by such a union as was proposed, and that the union would lift us above the disabilities to which I have referred, then, I say, it seemed to us we ought not to hesitate on the grounds of sentiment to place the proposal before you for your approval. And thus we are here to-day with the proposal as set out in the agreements which lie on the table, and the substance of which has been communicated to you by circular. * *

And this brings me to another, and, I think, the last point. The Atlas will have to go through the form of liquidation—not liquidation in the ordinary sense, but in a technical and legal sense, in order solely to effect the amalgamation by exchanging the new shares in the Phœnix and Atlas for the existing Atlas shares. The word liquidation has an ugly sound, but there is nothing objectionable in it in this case but sound. The fact represented is only the legal machinery for effecting the fusion. There is no sale, no purchase, but a mere joining together, and the simplest way of welding the two concerns was that one or both should nominally liquidate. If both were to do so, and bring their respective belongings into hotch-potch, to be reapportioned among the joint shareholders, the effect would be a brand-new company, dating from 1901, and thus the savor of age would be destroyed and the prestige attaching thereto would be jeopardized. Whereas by one company—the younger—technically dissolving itself as a separate entity for the purpose of merging with another, the age of the older is preserved. It is equally a marriage—a fusion—whether one goes to the other, joins itself with the other, or whether both migrate and unite in some new home. The Phœnix has room for the Atlas, in its own constitution, by simply enlarging one room in its house—its capital—and taking therein the capital of the Atlas, which will be attired in a new dress to correspond with the Phœnix fashion. That is all there is in it. There will be no Phœnix Company, as it now exists, either in fact or name, just as there will be no Atlas, as it now exists, either in fact or name. But the identity of each will be preserved, though there will be a merging of the two, as will be patent to all the world by the name under which the joint company will work, viz., the Phœnix and Atlas Fire Office, Limited.

A Stirring Appeal to the Agents.

The following has been sent out by Vice-President Tarbell to the agents of the Equitable Life Assurance Society under date of November 1. It is a good example of the kind of talk that stirs the blood of the army and inspires it to press on to victorious deeds. Not alone is it calculated to warm up the men to whom it is addressed, but fighting agents of all companies will profit by listening to it:

TO THE AGENCY FORCE OF THE SOCIETY, GENTLEMEN—In every period of endeavor there comes a time when we must stop and consider what we have accomplished and what there is yet left to do. It seems to me that November first is a good time for the agents of the Equitable to "take stock." You all started out at the beginning of the year with the purpose of writing a definite amount of paid for business as a minimum; many of you gave absolute pledges as to what you would do. Then, it seemed a long distance to look ahead to December 31, and the very remoteness of the date gave a sense of security in

the ultimate accomplishment of your undertaking. Now, with just fifty-two working days left, we can get a nearer and clearer view of what each day must contribute toward the grand total that each man desires to have to his credit. The end of the first year of the new century is so near now that it is within the range of the shortest vision, and even the man who is prone to procrastination must wake up to the fact that the time for vigorous action has come, and that there must be no further putting off till "to-morrow." There is a little placard in vogue just now with this motto on it: "Do It To-Day!" That would go well beside our "Get Busy!" cards. *"Get Busy and Do It To-Day!"* would be a good rule for us all during the entire remainder of this year, and I suggest that it be adopted. If that sounds too severe, just lay this unction to your soul—that whatever you do to-day you will not have to do the following day, and by and by you will get so in the habit of seeing something worth while accomplished daily that you will not be at all satisfied with mere promises, or hopes, or even mediocre results. After a while, with that kind of a diurnal program, nothing but results will satisfy you, and then will you be fulfilling something of the purpose for which you were created.

Listen to Emerson, in his famous essay on "Wealth": "The philosophers have laid the greatness of man in making his wants few; but will a man content himself with a hut and a handful of pease? He is born to be rich. * * Kings are said to have long arms, but every man should have long arms, and should pluck his living, his instruments, his power and his knowing from the sun, moon and stars. * * Man was born to be rich, or inevitably grows rich by the use of his faculties. Property is an intellectual production." Give me, every time, the agent who will "hitch his wagon to a star." I dislike to see a man keep his eyes on the ground all the time, for fear of stumbling over some little obstruction. I would rather see him running after some great object ahead and get one or two tumbles on the way. He will achieve much more in the end.

Now the record of the society as a whole thus far is so satisfactory, and so much ahead of the same period of last year, that it follows that many individual records of its representatives are in the same satisfactory condition. Such men do not need much incentive to further endeavor. Success is the best spur to greater success. I only hope they will not "bank their fires early and go to bed" when there is yet so much to be done, and when the star of their achievement is in the ascendency. I only hope they will reach out with the "long arms of kings" and strive for things that have hitherto been beyond their grasp, for I know that if they do that they will accomplish results that have hitherto been beyond their expectations. The intellect will go just as far as it is taken; it is limited only by its possessor, and "property is an intellectual production." If the amount you set out to do this year has already been passed, or is easily within reach, *raise your limit*, or, better still, take off all restrictions. Do as much as you can do, for the good of your soul and the health of your pocketbook. Do as much as your neighbor, who has more than you, and thereby secure as much as he has. Remember that in every step of advancement you take in life the primary and principal gain is to yourself.

Philanthropy has done much for the world, but the greatest inventions and improvements that have benefited mankind have sprung from the desire for individual gain; and who can say that the natural cupidity of man was not engendered in him to bring forth endeavors which could have been stimulated in no other way, and which ultimately redound to the good of humanity at large? You want to write a larger business this month than usual; for instance, to buy some Christmas presents. In so doing you assure some man whom you would not otherwise have approached. He dies, we will say, and all he leaves his wife and children is the assurance you persuaded him to take so that you might make someone a little happier on a holiday. Did you ever stop to think how far-reaching such a good deed is? And right here let me say that the above is not a flight of imagination. That very thing happened once to my knowledge last year, and how many times unknown to me I cannot tell.

But I digress. I want to come back to the agents, of whom there are still a certain number who have not so far done what could reasonably be expected of them and who have still a large part of their work to do during the remainder of the year. They are particularly the men I have "on my list." They are the ones to whom we want to lend encouragement and support. They are the ones who need to take a new grasp on affairs and make a fresh start for better things during the last two months. One of the greatest lessons for the man who is behind the game to learn is not to be discouraged, but to play on, with steadier nerve, more pluck and more determination than ever. The contestant who loses his head also at the same time loses the game. "The only irreparable calamities are those that paralyze the will. 'Brace up' is vast practical wisdom." So I say to you who are not up to the mark, "Brace up!" There are just as good days coming as any of those you have lost, but you will have to make some of them count double. Only don't falter and don't, I beg of you, be defeated. Don't ever admit the possibility of defeat—it enervates and depresses. Brace up, and make up your mind that you can and will do as much as the next man. That resolution will help you to retrieve your record. You are the only one to make the resolution, and you alone can keep it. Every man must take upon his own shoulders the responsibility of his own fortunes. He cannot lie supinely on his back and expect someone else to carry him to the heights. He must climb, and actually eat his bread by the sweat of his brow. But it will be sweet—that is the compensation; and the quantity will be in proportion to the effort that he puts forth.

November and December are just two months. They are a long time, or a short time, according to your own idea. They contain much or they contain little, in proportion as you feel and as you set to work to make them productive. There are some men who if they want to can do a whole year's work in sixty days, and I hold that sixty days is a long enough time for every man who is not satisfied with himself at least to improve his record to a very great extent.

I am not going to write you a long letter this month. This is the time when we are simply all going to "saw wood." I want you to "Get Busy" and "Do It To-Day." To-day is the only day there is.

To-morrow!
It is a period nowhere to be found
In all the hoary registers of time,
Unless, perchance, in the fool's calendar.
Wisdom disclaims the word, nor holds society
With those who own it.
'Tis fancy's child, and folly is its father;
Wrought on such stuff as dreams are, and baseless
As the fantastic visions of the evening.

Do It To-Day! Very truly yours,

J. E. Tarbell, Second Vice-President.

The Rise of the Ormsbys.

(*From the New Orleans Daily States.*)

The opportunities of people to rise in this country are practically unlimited. For example, we have the experience of the Ormsby family, of Chicago, who are now living in clover, so to speak. Six months ago the family lived in distressing squalor, but the enterprising and fruitful Mrs. Ormsby won the approving smile of Dame Fortune by giving birth, in one inning, to an unusual bundle of olive branches. There were four in the bunch, and from all accounts the good stork that brought them to the Ormsby home became hump-backed as the result of the heavy burden he had to carry in his beak, and will be a cripple for life.

The Ormsby family, who were wont to keep body and soul together on a diet of dried herrings and potatoes, are now living in a comfortable hotel on an income of $500 a week, derived from exhibiting the quadruplets in a dime museum. Here we have an object lesson that should cheer up all who are inclined to be discouraged in the battle of life. It should make every American citizen feel that he has an opportunity to be President or the father of quadruplets.

Mr. Ormsby, who only a few weeks ago was working in a corner grocery for the princely sum of $30 a month, is now smoking cigars that cost 15 cents straight, and his wife is rejoicing in silks and sealskins. Mrs. Ormsby appears to be a matron of remarkable fertility and prolificness. She and Mr. Ormsby embarked in the olive branch business seven years ago, and they have now on hand a stock of fourteen sprouts, the eldest of which is only six years. According to the statement of his friends, and contrary to what one would suppose to be the case, Mr. Ormsby is a very happy man, and takes a most hopeful view of the future. As his wife is still on the active list, and probably will remain in commission for some years to come, he feels confident that it is merely a question of time when she will smash her present record by going it two better in the thrilling and unique production of sextets. This he knows will set the country aflame, from the Canada line to the wave-washed shores of the Mexican Gulf, and when the event occurs he will be able to exclaim, as did Monte Cristo, "The world is mine!" Such an achievement by his better half as the result of a laudable

ambition to surpass anything that has ever occurred in that field of endeavor will pile treasure at his feet, and he will be able to spend his remaining days in a cottage by the sea, or exploring the country in an automobile. Great is Mrs. Ormsby and —but at the same time we must not forget that the old man is no slouch himself.

INCORPORATED 1851.

The Berkshire Life Insurance Co.

OF PITTSFIELD, Mass.

All Policies issued by the Company are subject to the Massachusetts Non-Forfeiture Law.

WM. R. PLUNKETT, President.

JAS. M. BARKER, Vice-Pres. JAS. W. HULL, Sec'y and Treas.

Agencies in all the principal cities of the United States.

INCORPORATED 1865

GERMAN INSURANCE CO.

OF FREEPORT, ILL.

The Largest and Most Successful Fire Insurance Company in the West.

Assets, January 1, 1901,	$3,656,401.59
Cash Capital,	200,000.00
Liabilities, including reinsurance,	2,181,179.89
NET SURPLUS,	1,275,221.70

C. O. COLLMAN, Pres. HENRY BAIER, Vice-Pres. D. B. SCHULTE, Treas.

WM. TREMBOR, Sec. F. M. GUND, Ass't Sec.

Home Life Insurance Co.

256 BROADWAY, NEW YORK.

GEO. E. IDE, - - - - President.

Assets,	**$12,342,247.00**
Dividend Endowment Accumulations,	**736,337.00**
Contingent Fund,	**65,875.00**
Net Surplus,	**1,282,588.30**

When Working for The Mutual Life...

You needn't introduce the Company—the Company introduces you. There you have it. You needn't take a minute or a word to prove where The Mutual stands or what it stands for. The whole world knows its masterful leadership—just as you know it yourself. But there are some things you may not know.

DO YOU KNOW

That **The Mutual Life** is especially helpful to agents?
That **The Mutual Life** writes the most liberal policies?
That **The Mutual Life** gives the highest guarantees?
That **The Mutual Life** has policies that meet every requirement of investment as well as of protection?

Look into these things. Take no one's say so, but investigate,

The Mutual Life Insurance Company

OF NEW YORK,

RICHARD A. McCURDY, President.

IT IS THE LARGEST FINANCIAL INSTITUTION IN THE WORLD.

Income in 1900, - - - $60,582,802.31
Assets January 1, 1901, - - $325,753,152.51

It has room for workers who are not rebaters. Address

GEORGE T. DEXTER,

Superintendent of Domestic Agencies,

NEW YORK.

1825. THE 1901.

Pennsylvania Fire Insurance Co.

OF PHILADELPHIA.

Cash Capital,	**$400,000.00**
Re-insurance and all Liabilities,	**2,771,038.56**
Surplus,	**2,163,883.97**
Total January 1, 1901,	**$5,334,922.53**

R. DALE BENSON, Prest. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Prest. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

The American Fire Insurance Co.,

PHILADELPHIA, PA.

CASH CAPITAL	$500,000.00
Reserve for Reinsurance, and all other Claims	1,603,605.54
Surplus over all Liabilities	247,360.42
TOTAL ASSETS, JANUARY 1, 1901	$2,477,069

THOMAS H. MONTGOMERY, Prest.

RICHARD MARIS, Sec. and Treas. WM. F. WILLIAMS, Asst. Sec.

WM. B. KELLY, Gen. Mgr.

DIRECTORS—Thomas H. Montgomery, Israel Morris, Pemberton S. Hutchinson, Joseph E. Gillingham, Charles S. Whelen, Edward F. Beale, John S. Gerhard, Edward Lowber Welsh, Archibald R. Montgomery.

THE STANDARD LIFE AND ACCIDENT INSURANCE COMPANY

OF DETROIT, MICH.
INCORPORATED 1884

D. M. FERRY, PRESIDENT.
E. A. LEONARD, SECRETARY.
W. C. MAYBURY, MNG DIRECTOR.

LIABILITY, PERSONAL ACCIDENT AND SICKNESS INSURANCE

CASH CAPITAL, $250,000.00

COMMERCIAL UNION ASSURANCE CO.

LIMITED,

OF LONDON.

OFFICE:

Cor. Pine & William Sts., New York.

TO BE FAITHFUL

...To Policy-holders and Agents

is the motto of the management of the Union Mutual. To serve all interests impartially. To treat all parties with consistent candor. To issue policies of pronounced liberality To make all death payments with the utmost promptness. To be fair in all dealings.

Honest, capable Agents can always have employment with us.

Union Mutual Life Insurance Co.

Portland, Maine.

INCORPORATED 1848.

FRED E. RICHARDS, President. ARTHUR L. BATES, Vice-President.

Address either { EDSON D. SCOFIELD, *Supt.*, 1110 Am. Tract Society Bldg. 150 Nassau St., New York City. THORNTON CHASE, *Supt.*, 84 Adams Street, Chicago, Ill.

Established 1782.

Phœnix Assurance Company,

OF LONDON.

FIRE INSURANCE ONLY. LOSSES PAID OVER $100,000,000.

Head Office for the United States, 37 Liberty St., N. Y.

A. D. IRVING, Manager. E. B CLARK, Asst. Manager.
LOUIS P. BAYARD, 2d Asst. Manager.

1850. THE 1901

United States Life Ins. Co.

IN THE CITY OF NEW YORK.

GEORGE H. BURFORD, President.

FINANCE COMMITTEE.

GEO. G. WILLIAMS, . . . *President Chemical National Bank*
JOHN J. TUCKER, ... *Builder*
E. H. PERKINS, JR., *President Importers' and Traders' National Bank*
JAMES R. PLUM, ... *Leather*

Active and successful Agents who desire to make Direct Contracts with this well-established and progressive Company, thereby securing for themselves not only an immediate return for their work, but also an increasing annual income commensurate with their success, are invited to communicate with RICHARD E. COCHRAN, 3d Vice-President, at the Company's Office, 277 Broadway, New York City.

Assets over $8,000,000. Insurance in Force, over $40,000,000

ESTABLISHED IN 1822.

THE NATIONAL ASSURANCE COMPANY OF IRELAND.

GEORGE E. KENDALL,
United States Manager,
HARTFORD, CONN.

Royal INSURANCE COMPANY (FIRE) OF LIVERPOOL, ENGLAND.

Statement of United States Branch,

JANUARY 1, 1901.

Assets, held in the U. S. for the special protection of its American Policy-holders.	$7,187,715.01
Liabilities, ...	4,703,671.36
Net Surplus, ...	$2,484,043.65

AGENCIES IN ALL THE PRINCIPAL CITIES, TOWNS AND VILLAGES IN THE UNITED STATES.

Provident Life and Trust Co.

OF PHILADELPHIA.

The best in Life Insurance is likely to be the cheapest. The same fidelity, skill and care which are necessary to guarantee the future security of a company result in the lowest cost. A good test, therefore, is to determine whether the organization and the surroundings of a company exclude all doubt as to future security. In determining this the question of cost is determined also. **THE PROVIDENT LIFE AND TRUST COMPANY** invites inquiry as to its organization and the provisions for safety afforded. For the full period of its existence the death rate has been only .614 of the rate indicated by the authoritative tables.

ORDINARY and INDUSTRIAL PROFIT SHARING POLICIES.

EXCEPTIONAL ADVANTAGES TO

..... Active Agents.

WRITE TO

THE PRUDENTIAL INSURANCE CO. OF AMERICA

JOHN F. DRYDEN, President. Home Office: NEWARK, N. J.

The Mutual Benefit Life Insurance Co.

NEWARK, N. J.

AMZI DODD, - - PRESIDENT.

ASSETS (Market Values) Jan. 1, 1901	$74,311,468.25
LIABILITIES, N. J. and N. Y. Standard	68,186,103.34
SURPLUS	6,125,364.91

MUTUAL BENEFIT POLICIES

—CONTAIN—

Special and Peculiar Advantages

WHICH ARE NOT COMBINED IN THE POLICIES OF ANY OTHER COMPANY.

The Lancashire Insurance Company

OF MANCHESTER, ENG.

MILTON DARGAN, Manager,

25 Pine Street, NEW YORK.

1846—1901.

THE CONNECTICUT MUTUAL LIFE

Insurance Company.

WHERE THE CONNECTICUT MUTUAL STANDS.

During all the long struggle out of which this situation has developed, and amid the many schemes devised to attract public attention and favor to something else than life insurance, the attitude and position of the Connecticut Mutual have never been doubtful.

It has held to the cardinal facts: Life insurance is for the protection of those dependent on a man's life; their dependence makes it his unavoidable duty. Those dependents we assume to protect by our contract, at his personal cost; our duty to them is to make that protection as large, as secure, and as certainly available to them as possible; our duty to him is to make its cost to him as small as possible.

JACOB L. GREENE, President. **HERBERT H. WHITE, Secretary.**
JOHN M. TAYLOR, Vice-President. **DANIEL H. WELLS, Actuary.**

The Metropolitan Life Insurance Co.

(INCORPORATED BY THE STATE OF NEW YORK.)

"The Leading Industrial Insurance Company of America,"

IS REPRESENTED IN ALL THE PRINCIPAL CITIES OF THE UNITED STATES AND IN CANADA. THE PAYMENT OF OVER 250 DEATH CLAIMS DAILY TELLS OF THE GOOD IT DOES. INSURANCE IN FORCE OF OVER $900,000,000 ATTESTS ITS GREATNESS AND FAVOR WITH THE PUBLIC.

Permanent, Profitable and Progressive Employment.

AGENTS WANTED—Any honest, capable, industrious man, who is willing to begin at the bottom and acquire a complete knowledge of the details of the business by diligent study and practical experience can, by demonstrating his capacity, establish his claim to the highest position in the field. It is within his certain reach. The opportunities for merited advancement are unlimited. All needed explanations will be furnished upon application to the company's superintendents in any of the principal cities, or to the Home Office, No. 1 Madison Avenue, New York City.

JOHN R. HEGEMAN, President.

HALEY FISKE, Vice-President. GEORGE H. GASTON, Second Vice-President. GEORGE B. WOODWARD, Secretary. J. J. THOMPSON, Cashier and Assistant Secretary. JAMES M. CRAIG, Actuary. JAMES S. ROBERTS, Assistant Secretary. STEWART L. WOODFORD, Counsel. THOS. H. WILLARD, Medical Director. A. S. KNIGHT, Assistant Medical Director.

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.

FOUNDED 1792.

Assets, January 1, 1901		$9,583,791
LIABILITIES—Reserved for Reinsurance and all other claims	$4,805,254	
Capital Stock	3,000,000	
Surplus over all Liabilities	1,778,537	$9,583,791

Agents in all the principal towns and cities.

CHARLES PLATT, President. EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. BENJAMIN RUSH, Second Vice-President.
T. HOUARD WRIGHT, Marine Secretary. JOHN B. ATWOOD, Assistant Secretary.

Offices in New York. Fire, William and Pine Sts.; Marine, 63 Wall St.

CHARTERED 1866.

The Old Reliable

Hartford Life Insurance Co.

HARTFORD, CONN.

In its Industrial Branch issues Whole Life, Endowment, Semi-Endowment and Life-Endowment-at-Age-80 Policies, in amounts from $10 to $500 and from ages 2 to 60.

These policies are plain in terms and conditions. Cash Surrender and other values are written in the contract. All "Hartford" Policies are in full immediate benefit in case of death by accident.

Best to sell or insure under. *Over $20,000,000 Paid in Benefits.*

GEO. E. KEENEY, President. CHAS. H. BACALL, Secretary.

The Manhattan Life

OF NEW YORK

want the best men obtainable for several pieces of excellent territory—and are willing to make mighty interesting propositions to good men.

ADDRESS

W. B. Lane, 2nd Vice-President

66 BROADWAY, N. Y. CITY

Every conceivable form of Life Policies

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

VOL. LXV. SATURDAY, NOVEMBER 16, 1901. No. 20.

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Checks and money orders should be made payable to the order of THE WEEKLY UNDERWRITER.

THE Tennessee Insurance Department announces an agreement made with the Mutual Reserve Fund Life Association for the settlement of their differences which, if carried out in good faith by the association, will show better judgment on its part in dealing with an insurance department than has appeared in its transactions since it was involved in its present sea of troubles. The Tennessee commissioner has disputed the right of the association to levy any assessments save those to pay mortuary claims or to discriminate against any class of policy-holders, and a Tennessee policy-holder has a suit in the State courts to test these questions. The "agreement" is reported in the following terms:

An agreement has now been reached whereby the association binds itself not to take the case to the Federal court, but to allow the questions in controversy to be adjudicated in the Tennessee courts upon their merits. It is further agreed that a joint examination of the affairs and conduct of the association by the Tennessee and New York Insurance Departments be had. This examination will begin within a very short time, and all actions of the life company in changing its basis of writing policies will be thoroughly investigated by competent actuaries. If it is found that there has been any discrimination, proper steps will be taken to correct the practice. In the meantime the company has agreed to take no forfeiture because of non-payment of premiums, and it further agrees to convert all assessment contracts, without further medical examination, into any other contract written by them.

It will be interesting to watch the attempt to realize this program, which reverses in several essential respects the policy hitherto pursued by the association.

THE Georgia Legislature proposes to provide for increased expenses in running the State Government by raising the tax on the gross premium receipts of all classes of insurance companies from one to two and a half per cent. The old pretext is put forward—the insurance companies are realizing a great profit on their business and can well pay high for the privilege of doing it. As a matter of fact the fire insurance companies are not making money in Georgia, even though they shift the tax burden to the shoulders of the premium payers, and in the life insurance business taxes are a part of the expenses, and just as those are greater or smaller so are the dividends to policy-holders affected. Georgia already discriminates against the thriftier class of her citizens to an extent not paralleled in many other States, in the form of a State tax on premiums of one per cent., local taxes in municipalities ranging from $200 per annum in the larger to $10 and $15 in the smaller places, with State license fees of $50 and county license fees of $10 for agents. The bill now pending in the House of Representatives remits the $10 fee, but it allows the other fees and municipal tolls to continue and increases the taxes on premiums one hundred and fifty per cent. If the insured have no objection to this addition to their load of taxes, that is their own concern, but they ought to be made to understand that it is their own load and one that they must themselves make exertions to keep off if they do not want to carry it.

A REPORT of the quadrennial examination of the Mutual Benefit Life insurance company by the New Jersey Insurance Department in accordance with the requirements of the law is reproduced in another column. The examination was made by the department actuary, David Parks Fackler, which is a warranty that it had adequate and competent treatment. There are some propositions that need no proof. The sun shines and the world turns around. So the character of a great beneficiary institution, such as the Mutual Benefit Life is, stands without question. No investigation of its condition is required to insure public confidence. The present examination, therefore, is solely a compliance with the law. Naturally the reader will be struck by the uniform tone of satisfaction which pervades Mr. Fackler's report. There are no weak spots; everything is all right. Candor and straightforwardness in the administration of the trust show as a matter of course. So careful have the administrators been to keep within the safe bounds of conservatism that they have not claimed all they fairly might for assets and have conceded more than they needed to do in valuing liabilities. Mr. Fackler found an overestimate of possibly due death claims of $50,000 and an underestimate of real estate valuation in one item of $300,000. The company's real estate, as a whole, is declared to be "worth much more" than the amount stated in its annual report. Mortgage loans on real estate constitute over one-half of the invested assets, and their "general excellence" is shown in the fact that but two and one-half per cent. of this class of investments has been foreclosed in the past five years. The report is brief because there are no excuses to make and there is nothing to explain away.

THE Northwestern Mutual Life insurance company has just beaten a claimant in the Federal courts in a case about which there should never have been a dispute. Indeed, the first judge before whom the suit was brought instructed the jury to bring in a verdict for the company, and the higher court, which is the final tribunal for this class of cases, was equally emphatic in approving of the action of the court below. The case, an account of which we reprint, was one involving the question whether the act of an agent of a life insurance company in accepting a first premium from an applicant thereby bound the company to put the policy in force. Here the applicant passed a medical examination and paid the premium to the agent, who forwarded it with the application to the home office. The medical examiner there wrote back for further

information concerning the physical condition of the applicant, who replied and stated that if the reply was not satisfactory the check must be returned and the application considered as withdrawn. Thereupon the check was sent to the local agent for delivery, and was received by him a few hours after the applicant had died from an attack of appendicitis. The executor declined to accept the check and demanded the full amount of the policy on the ground that the agent's receipt for the premium constituted a contract by which the principal was controlled. On this contention substantially the suit was brought. The court, without hesitation, recognized the condition which accompanies all applications, that the company reserves the right to reject the candidate for insurance if it so elects. Judge Boyd in disposing of the case said: "No policy was in existence when the receipt was given, because none had been issued. The application which accompanied the premium was applicant's proposal for insurance, subject to the approval of the company; the approval to be in the form of a policy, which, when issued, became the evidence of the company's obligation. It was the first premium upon this policy when issued that the applicant was paying, and we are unable to find any other conclusion consistent with reason and intelligent business dealing." Notwithstanding the case is so plain, the decision is of value, because it adds to that class of judicial opinion which tends to discourage inconsiderate litigation with life insurance companies.

Facts and Opinions.

THE Caledonian of Edinburgh, having resolved to restrict its territory in this country, on Thursday reinsured its entire Southern department, the State of Missouri and some of its Western business in the Phenix insurance company of Brooklyn. Sumner Ballard was the intermediary in the negotiation of the reinsurance. The *Journal of Commerce* says:

The Caledonian has for a long time had a larger percentage of its fire revenue from America than most of the foreign companies. Its United States premiums were in the year 1900 about 60 per cent. of its world receipts. When Manager Post visited the home office of the Caledonian last spring Manager Deuchar and the directors took up with him the question of restricting the writings in this country to 50 per cent. of the total fire business of the company. It was thought at the time that this could be accomplished by even greater conservatism in acceptances, and this course was determined upon. However, the trend of the business since then has shown that agents are pressing their best risks on the strong and reliable companies and the Caledonian's income here increased, and from lines of a quality which gave no excuse for rejection. It was therefore decided to cut down by restricting the territory covered to an extent which would lower the revenue percentage to the desired figure, while selecting the part to be disposed of in such a manner that the remainder could be managed and supervised at a reasonable expense ratio. The transaction with the Phenix exactly achieves the result sought for by the Caledonian. The Caledonian will now more thoroughly till its retained field, and is pushing forward the completion of its large and handsome office building at Nos. 50 and 52 Pine street, which will be ready for its occupancy about May 1 next.

THERE is no likelihood of an immediate advance on icehouse property in New England, although that class of property is generally considered unprofitable to the companies. The special committee on non-paying hazards of the New England Insurance Exchange, which had been requested to take action toward such a step, reported at last Saturday's meeting of that body that it had not been supplied with specific data upon which to base such recommendation. The Exchange voted to apply the bituminous coal clause, waiving liability on claims from spontaneous combustion to minimum rated risks. An allowance of $1.50 from the rate is made to the insured if he accepts this clause, which hitherto has been applied to specifically rated risks only. The chemical hazards committee, which had been requested to formulate rules for fuel oil systems, made a report advising that the matter be referred to the National Board of Fire Underwriters for action. The form of policy for telephone exchanges prepared by the National Board of Fire Underwriters, and printed in our issue of last Saturday, is on the calendar for action at to-day's meeting of the Exchange. The adoption of the form was recommended by the electrical hazards committee two weeks ago.

THE New England Women's Life Underwriters' Association held its annual meeting in Boston last Monday. The secretary's report showed a net gain in membership during the year of eight, and the treasurer's report gave evidence that the association is in a flourishing financial condition. The following officers and members of the executive committee were elected for the ensuing year: President, Miss Emily A. Ransom; vice-president, Dr. Sarah M. Crawford; second vice-president, Miss Julia Adell Sprague; secretary, Mrs. Stella P. Drake; treasurer, Mrs. Florence E. Shaal; executive committee, Mrs. Therese Goulston, Mrs. V. B. Peakes, Dr. Elizabeth Gray, Miss Harriet Farrar, Miss Helen M. Fogler and Mrs. Helen W. Faunce. Mrs. Martha J. Sisk, recently with the general agency of the Phœnix Mutual Life for Michigan, spoke of life insurance conditions in that State. She said that, while there are plenty of women solicitors there, they are not grouped into departments, as in the East. There was a great deal of rivalry in the State, as it has no women's life underwriters' association to develop the amenities of competition.

ON Thursday the agents who are prize winners in the Western Pennsylvania agency of the Mutual Life insurance company visited New York city, accompanied by Lambert & Waterhouse, the general agents of the company in Pennsylvania. Twenty-four bright young men were conducted to the board room of the company, where they met Vice-President R. A. Granniss, General Manager W. R. Gillette, Vice-President Lloyd and Actuary McClintock. Mr. Granniss made a neat speech of welcome and complimented them upon the remarkable showing they had made in rolling up business for the Mutual Life, every man having exceeded the quota allotted him. The visitors were then shown through the building and later enjoyed a luncheon, presided over by Dr. Gillette. In the evening the party enjoyed the theatre and the sights of the town. It appears that these agents were entitled to a money prize or a visit to New York. They all preferred the visit to New York.

THE *Independent* says of the extension of the great building of the Metropolitan Life insurance company in New York:

That Venetian suggestion in New York, the National Academy of Design Building, which has so long been on the northwest corner of Fourth avenue and Twenty-third street, is now in course of demolition. The Metropolitan Life is doing the work as a step in expansion of its great white building that fronts on the corner of Twenty-third street and Madison square. The new structure to be erected on the Academy site will join the Twenty-third street extension, and as the building already reaches into Twenty-fourth street, stretching around the old Presbyterian Church, once known as Dr. Adams', nearly matching it in height and almost enveloping it, further absorption, until the entire block is occupied by the Metropolitan, is indicated as only a matter of time. The huge building is not for show, but for business. In magnitude of total transactions and of the number of persons employed by the company and interested in it, the Metropolitan is colossal indeed. It has illustrated the importance of little things by its achievements in industrial, but it is also a very large company in ordinary life insurance and is reaching out for larger things.

THE Attorney-General of Indiana, having rendered an opinion to State Auditor Hart that he has the right and authority under the law to examine the old charter companies of Indiana (there are four of them: The Commercial of New Albany, Equitable of

Fort Wayne, Lincoln of Evansville, and Firemens and Mechanics of Madison), the Auditor with Actuary McEwen appeared at the office of the Commercial on Saturday last, and demanded access to the books. The company refused to recognize the authority of the State officials, and consequently on Wednesday suit was begun against the company by the Attorney-General in the courts. The Franklin and Firemens and Mechanics express a willingness to be examined. The question, so long unsettled, as to the jurisdiction of the State Insurance Department over the old charter companies, which, like the Fort Wayne, have given Indiana a dubious reputation, will now be brought to a judicial test, in which it is to be hoped that the State authorities will be successful.

A CABLE dispatch to the *Journal of Commerce* makes the formal announcement that a provisional agreement is about to be reached for the amalgamation of the Alliance assurance company, Imperial insurance company, Ltd., and Imperial Life insurance company. It may be stated on authority that the matter is practically settled, and only some unforeseen contingency can prevent the consummation of plans which have been approved after repeated conferences by directors representing the three institutions. The new company will be called the "Imperial-Alliance" and will take over the entire assets and business of all three institutions. The Alliance has a total fire premium income of £550,801, of which only 7½ per cent. is in the United States, being a smaller percentage than any other admitted British company. The Imperial has a total fire premium income of £736,688, of which 34.9 per cent. is from this country.

CUBANS residing in this country are not desirable life insurance risks, according to the Washington *Times*, which says:

Several Cubans who are at present residents of this city were surprised this week when, on applying at the local agency of a big insurance company, they discovered that their risks were not desired by the corporation at present, but that they would have to wait at least two years before making application. The ruling was made by the examining physician after the local agent had assured the Cubans that they would make first-class risks. It is held by the physician, who is prominent locally, that Cubans who have been in the northern part of this country but a short time are very bad risks. The reasons given are that the natives come to a city like Washington and live here like Cubans. They drink as much black coffee and smoke as many cigarettes, and their habits, while healthful in their native climate, are ruinous here. After a five-year residence here the average Cuban is weaned from his native ways and lives like an American. He can then be considered a good risk.

THE wildcats seem to be "up against it" in the West just now. Attorney Rowe, of the Illinois Department, is preparing a list for publication which will warn the public against them, and is contemplating other action if present plans work out. Indiana's Auditor of State is trying to examine all the unreporting companies operating there under old special charters, although legal action may be necessary to compel them to produce their books. All the other Western departments are issuing warnings against the notorious wildcats, and now Kentucky proposes to discourage their operation there by forcing the holders of policies in unauthorized companies to pay the tax upon their premiums. To this end it is securing a list of the companies of that sort operating in the State.

THE Chicago Underwriters' Association is considering a request for a reduction of 5 cents in the rate on the McCormick Harvester Company, on account of the competition of Eastern mutuals. There has been much criticism in certain circles over the present rate, which is 45 cents on the average, but the companies that carry the largest lines on the plant are willing to concede it, as most of the plant is already equipped with the latest devices, seven sections having been installed this year, and ten more being planned for next year. The line is the largest in the city.

THE Shreveport, La., Board of Underwriters has sent a communication to the National Board of Underwriters, in which they say:

In pursuance of a resolution adopted by this Board, and at the suggestion of the special agents of several companies, we write to ask that you send an expert here for the purpose of determining definitely what changes and improvements are essential for the betterment of conditions in this city. It is the earnest desire of the local agents here to retrieve the unfortunate fire record of our growing city, and we have assurances from the city officials that they are willing to do all in their power to remedy existing defects and put our fire fighting force on the best possible footing as well as to adopt and enforce suitable building ordinances, &c. Kindly advise us when you can comply with the request and oblige.

TROUBLE is brewing among the unauthorized and special charter companies run by Dr. S. W. Jacobs, of Chicago, even though he is deprived of the valuable assistance of his former oleaginous assistant, "Deacon" Lowell. One of his companies is the Western Fire, Marine and Plate Glass, which represents the wreck of the old Western of Aurora, and operates under its special charter. An old creditor has sued for an accounting, on the claim that the concerns are practically identical, and that a judgment secured by him against the Western of Aurora is unsatisfied. Several of the new officers are understood to be protesting against the way things are going.

AT the meeting of the Chamber of Commerce held on November 7 resolutions were adopted recommending the creation of a department in the National Government to be known as "The Department of Commerce and Industries," to have jurisdiction over commerce, including all functions exercised by the Government with reference to transportation and navigation, manufactures and mining, and all statistics relating thereto. At a gathering of New York underwriters at the Underwriters' Club last week the suggestion was made that supervision of the business of fire, life and marine insurance should be added to the functions of this new department.

THE standing committee appointed by the president of the New York Board of Fire Underwriters to adopt regulations for the adjustment of losses in the city of New York, under the resolution of the board which was recently adopted, met and organized on Wednesday. The following are the members of the committee: W. N. Kremer, F. C. Moore, M. O. Brown, Lindley Murray, Jr., H. W. Eaton, J. M. Hare, George M. Coit, George W. Babb, B. Lockwood, S. R. Weed and W. B. Ogden. President John M. Whiton is a member of the committee ex-officio.

THE famed Deacon Lowell, formerly of the Western of Aurora, the Fort Wayne and other unauthorized companies, who tried life insurance for a time after he was dropped out of the Western, could not withstand the present opportunity for Lloyds in Chicago, and has launched the Union Lloyds, with headquarters in the Rialto Building. He goes the others ten better by having twenty underwriters, most of whom are from the great insurance centre of Kenosha, Wis. He was reported "broke" a few weeks ago, but he now advertises assets of $316,267.

THE Leonard Seed Company recovered a verdict in the United States Circuit Court at Chicago last week against the Orient, in the suit involving the loss on its building in 1899, which had been resisted on the ground that the building fell before the fire broke out. In a previous hearing the lower court found for the insurance company, but the Court of Appeals reversed and remanded the case, holding that the point that the explosion occurred outside of the Leonard building, and thus set fire to it, controlled.

THE Mutual Reserve Fund Life Association has begun through President Burnham a suit against Charles L. Franklin, publisher

of the *Interview*, charging him with criminal libel. Mr. Franklin was summoned to appear before Magistrate Brann, New York, on Saturday last to answer to the charge. President Burnham, with his counsel, was present in court at the appointed hour, but after awaiting Mr. Franklin's appearance for some time, they retired. Mr. Franklin is reported to be out of town at present.

THE Massachusetts Insurance Department is engaged in making an examination of the United States branch of the Frankfort Marine, Plate Glass and Accident insurance company, in conjunction with the Minnesota Insurance Department. Mr. Frank H. Hardison, deputy commissioner, and Mr. William H. Brown, examiner, of Massachusetts, are at present in New York engaged upon the work, and Mr. S. H. Wolfe represents the Minnesota Department in the examination.

THE Lion Fire of London has reinsured in the National Fire of Hartford all outstanding liability under policies issued of date prior to November 15, 1901, throughout the United States, with the exception of the business reporting to the San Francisco office of the company and from the agencies at New York city, Boston, Chicago and Hartford,, Conn. Sumner Ballard was the intermediary in the negotiation of the reinsurance.

THE following is going the rounds of the dailies:

An insurance agent out West was boasting that his company recently paid a life policy to the widow the day after the funeral of her husband, and insisted that no company was ever so prompt in payment "That's nothing," remarked an agent of another company, "one of our patrons recently fell from the top of a four-story building, and a check for the full amount of his policy was handed him as he passed the second-story window."

THE arrest has been effected at Louisville, Ky., of Newell C. Rathbun, a deserter from the United States Army, who has confessed that he planned to palm off the body of one Charles Goodman, who died at Jeffersonville, as his own insured body on which there is a life policy of $4,000. Goodman was in his company at a hotel, and was found dead there after Rathbun had departed for Louisville. He denies having killed his companion.

THE Bank of Commerce, an Indiana special charter company, applied to the Indiana Supreme Court for permission to change its name to the Columbia Life insurance company. The court denied the application, and the concern has appealed to the United States Circuit Court. The charter was originally for fifty years, but its owners now claim that it is perpetual on account of an amendment to the charter.

THE officials of fraternal organizations in Iowa are agitating the creation of a separate bureau in the State Auditor's office which will have special supervision of the fraternals. The movement is in charge of B. W. Blanchard, publisher of the *Western Economist*, and if it secures a foothold in Iowa the effort will be made to extend it to other Western States.

AN opinion has been given by Assistant Attorney-General Todd, of Ohio, that the coinsurance and average clauses may apply in that State in the underwriting of electric railway property and goods handled by electric railway companies. This is contrary to the opinion expressed by Attorney-General Monnett when he was in office.

THE German Bundesrath, or Federal Council, which represents the individual states of Germany in the Imperial Parliament, on Wednesday adopted regulations for the enforcement of the insurance law.

THE first joint stock fire insurance company of the Indian Territory was organized at South McAllister, therein, last week with an alleged capital of $100,000. The following are the officers: J. K. Elder, of Dallas, Tex., president; J. W. Talkinson, of South McAllister, vice-president; R. F. Culbertson, of South McAllister, secretary.

SUIT has been brought in the Pulaski County Circuit Court at Little Rock, Ark., by Rev. Z. T. Bennett against the Mutual Reserve Fund Life Association to recover $5,000 for a "wrongful, illegal and unjust discrimination" against him as a policyholder, together with the cancellation of his policy.

AN agreement has been reached between Commissioner Dearth, of Minnesota, and the Globe and Rutgers Fire of New York whereby the latter ceases to write on forms of policies in the former State not approved by the department, and the department will not revoke the company's license.

ANOTHER change has taken place in the agency of Critchell, Miller, Whitney & Barbour, of Chicago, since the recent amalgamation. The Union of Philadelphia retired last week, and now the Caledonian, which was one of the leading companies in the old Critchell company, has also retired.

IT is understood that the Home of New York is considering a proposition to enter the Dominion of Canada for business. The United States fire insurance companies now there are few in number, and are the Ætna, Hartford, Connecticut and Phœnix of Hartford and Phenix of Brooklyn.

THE Bankers Surety Company of Cleveland has been licensed to do business by the Ohio Insurance Department. The company will transact fidelity business exclusively.

THE Royal Exchange, through its Metropolitan managers, Blagden & Stillman, has reinsured the unexpired business of the Caledonian-American in Brooklyn.

HOSPITABLE West Virginia consents to the incorporation under its laws of the People's insurance company of Kenosha, Wis., which will insure "surplus lines."

THE Canada Life is making preparations to enter the United Kingdom of Great Britain and Ireland to do business, but its plans are not yet completed.

THE Universal Casualty Company is being organized at Racine, Wis., with $100,000 capital. V. M. M. Mortensen, of Minneapolis, is the promoter.

THE Insurance Company of Tennessee has removed its domicile from Shelbyville to Nashville.

Personal

AGENCY APPOINTMENTS.

American Fire of Philadelphia: James & Parsons, Cleveland, Ohio.

Anchor Fire of Cincinnati: Adolph Requet, of New Orleans, general agent for Louisiana and Texas; A. B. Cooper, of Nashville, general agent for Tennessee, Arkansas and Alabama; Charles F. Rankin, of Pittsburgh, agent for Pennsylvania.

Commerce of Albany: Ogden & Katzenmayer, New York metropolitan district.

Fidelity and Casualty: Charles O. Dion, New Bedford, Mass.

Fire Insurance Company of the County of Philadelphia: Elijah A. Keith, Brockton, Mass.

Germania Life of New York: Robert B. Hall, of Raleigh, State manager for North Carolina.

Mutual Life of Kentucky: Elmer E. Powell, general agent for Philadelphia, Pa.

Pennsylvania Fire: L. J. Hubble, special agent for Indiana and Central and Southern Illinois.

Rochester German: H. Dalmar & Co., Chicago, transferred from Raftree & Wilber.

Security Mutual Life of Binghamton: William Boswell, of Cincinnati, manager of the company's central department.

Thuringia: P. H. Killilea, Leominster, Mass.

Traders of Chicago: Albert E. Heald, Lawrence, Mass.

Westchester Fire: Pearce & Phillips, general agents for the District of Columbia.

Mr. Joseph D. Sutton, whose death at Kansas City, Mo., was announced in our columns last week, was one of the most widely known men in the life insurance business in the Central West, having been general agent for the Washington Life for the western half of Missouri since 1883. Mr. Sutton was born in Sussex County, N. J., in 1845, being fifty-six years of age at the time of his death. In 1877 he became associated with the now defunct Continental Life of New York at Detroit as special agent for Michigan, and a short time afterward joined the Connecticut Mutual Life in a similar capacity. In 1879 Mr. Sutton became connected with the Washington Life, and divided his time between Michigan and Indiana. The excellent manner in which he represented that company in Indiana resulted in his appointment as general agent for the western half of Missouri, with headquarters at Kansas City, in 1883. Mr. Sutton was one of the founders of the Kansas City Life Underwriters' Association and its president, and its success was largely due to his efforts. He never failed to represent the association as a delegate to the annual convention of the National Association of Life Underwriters, and was always active in its interests.

Mr. Theodore F. Gatchel, secretary and manager of the Des Moines Fire insurance company, dropped dead after making a speech at a religious meeting at Des Moines November 7. His last words were a plea in behalf of charity patients. Mr. Gatchel was fifty-six years old and was one of the organizers of the insurance company of which he was the manager.

Mr. J. A. McEwen, who resigned as actuary of the Indiana Insurance Department of the State Auditor's office about six months ago to attend to private interests in the West, returned to his former position November 8.

Messrs. Benjamin M. Weil's Sons & Co., Milwaukee, Wis., succeed to the business of the late Benjamin M. Weil. The firm is composed of Charles and B. M. Weil and Herman Pfeil.

Insurance Commissioner Dearth, of Minnesota, has been in New York this week in connection with the examination of the Frankfort Marine, Accident and Plate Glass insurance company.

Mr. Chester Penfield, fire insurance agent at Oswego, N. Y., died from the effects of a stroke of paralysis November 5, aged seventy-eight years.

Mr. Joseph S. Chahoon, president of the United States Plate Glass insurance company of Philadelphia, died November 3 from heart disease.

Insurance Legislation.

Complete copies of all important bills in the legislatures affecting insurance are on file in the office of THE WEEKLY UNDERWRITER.

Georgia.

ATLANTA, Ga., November 11, 1901.—Mr. Blue, author of the valued policy House Bill No. 128, which was killed, has introduced a substitute bill, which provides that in cases of losses on stocks of goods and merchandise and other species of personal property changing in specifics and quantity by the usual customs of trade only the actual value of the property at the time of loss may be recovered.

Comptroller-General Wright will make his annual report to the Assembly this month. He says the only recommendation he will make regarding insurance will be to suggest some method by which the assessment life insurance companies can be regulated. Under the present method of supervision the State cannot protect its citizens from organizations of this kind that are unsound.

Mr. Wright has introduced House Bills 644 and 645 to increase the tax on premiums received by all home and foreign insurance companies from 1 per cent. to 2½ per cent. per annum. Bill 645, which refers to all other than fidelity companies, was read the first, second and third time on Saturday.

Massachusetts.

The Massachusetts Legislature convened in special session last Wednesday to take final action on the revision of the statutes of the Commonwealth. It is possible that the fire marshal law, which is in chapter 32 of the revision, will be reached next Monday; while the insurance law, in chapter 128, will naturally not come up until several days later. The supplementary session will probably last at least a week longer.

Miscellany.

Repudiation of Flitcraft's Conduct by President Janney on Behalf of the Chicago Life Underwriters' Association.

The following correspondence speaks for itself. Mr. Flitcraft in his paper has assumed, by reprinting a sympathetic communication from the *Insurance Field*, that he is not without backers in his discreditable assault upon the Mutual Life and Mr. Farley at a meeting of the Chicago Life Underwriters Association. It will be seen that the president of the association is quite emphatic in the statement that Mr. Flitcraft's performance is "deplored" and "deprecated" by the "entire membership" of the Chicago Association. This doubtless closes the incident so far as the company and Mr. Farley are concerned, and it also confirms the status of Mr. Flitcraft in the estimation of the insurance community.

I.

THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK.
Richard A. McCurdy, President.
Executive Special Agency Department,
Philip H. Farley, Superintendent,
32 Nassau Street. NEW YORK, October 17, 1901.

J. W. Janney, President Life Underwriters' Association, Chicago, Ill.:

DEAR SIR—Permit me to call your attention to the inclosed clipping from the *Journal of Commerce* of to-day's issue, and ask if you will kindly inform me as to the correctness of same, as also if the association had a stenographer present who took down the alleged remarks of A. J. Flitcraft, and if so, might I kindly ask for a copy thereof?

Your kind attention to this will very much oblige,

Yours truly, (Signed) PHILIP H. FARLEY,
Superintendent.

II.

LIFE UNDERWRITERS ASSOCIATION OF CHICAGO.
EXECUTIVE COMMITTEE.
Danford M. Baker, Chairman; Jonathan C. Jackson, Fred. B. Mason, Dr. S. L. Fuller, W. S. Candee, Ira J. Mason.
OFFICERS: James W. Janney, President, 325 Marquette Building.
Richard D. Bokum, First Vice-President.
Fred. B. Mason, Second Vice-President.
Samuel W. Fowler, Secretary.
Hervey S. Dale, Treasurer.
CHICAGO, Ill., October 21, 1901.

Philip H. Farley, Esq., 32 Nassau Street, New York:

DEAR SIR—Yours of the 17th inst. did not reach me till this morning, owing to my absence from the city Saturday.

Replying to your inquiry I would say that to the best of my recollection the facts, as noted in the clipping sent by you, are essentially correct. The association did not have a stenographic reporter present—I am under the impression one of the insurance journals had—possibly the *Investigator*.

Mr. Flitcraft, who is an associate member, spoke for himself alone and upon his own responsibility, in what he said regarding the late meeting of the National Association at Portland. I need not assure you that personally, and as a member of the association, I greatly deplore whatever was said on the occasion that can be construed as personal to yourself or to your company, and in this expression I am sure I voice the sentiments of our entire membership. I am, Very truly yours,

(Signed) JAMES W. JANNEY, President.

III.

THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK.
Richard A. McCurdy, President.
William B. Carlile, Manager,
Tacoma Building,
Corner Madison and La Salle Sts. CHICAGO, Ill., October 16, 1901.

Mr. J. W. Janney, President Chicago Life Underwriters' Association:

DEAR SIR—I regret especially my absence last evening at the dinner given to Mr. W. D. Wyman upon the date of the Chicago Association's monthly meeting. It appears, also, that no other representative of the company was present.

Therefore, the report of the absolutely unwarranted attack by A. J. Flitcraft (an associate member) upon this company,

indirectly through reference to Mr. Philip H. Farley's recent candidacy, comes to us by hearsay. Such is the import of what we are told was said that we cannot hesitate to demand, as representatives of the Mutual Life and members of this association, the official disapproval of Mr. Flitcraft's statements before your body and proper action by your association thereupon. It is needless to add that such a reflection upon the great institution we represent cannot go unchallenged by us so long as we remain members of the Chicago Association. Mr. Flitcraft is not an active agent of any company, but the editor and publisher of certain insurance publications.

It is one of the blessed privileges of a free press that he may in his capacity as editor criticise this company when he feels that it justly deserves such criticism, but in his private capacity, as a member of this association, he cannot be allowed to scatter his venom against any particular company, designating it and its representatives by name, without being called to account by this association as a body.

Mr. Farley is now, and has been for many years, an honored employee of this great institution, holding deservedly the respect of this company and the personal friendship of his associates. He is also, I believe, a member of the New York Association and an ex-president of the same.

Therefore, the attack of Mr. Flitcraft upon Mr. Farley cannot be construed otherwise than an attack upon this great company, and as representatives of the Mutual Life we insist upon a proper action by this association in a prompt and unqualified manner, that will condemn in unmeasured terms such an abuse of any company represented in the association. Your prompt reply will oblige Yours truly,

(Signed) JONATHAN C. JACKSON.

IV.

LIFE UNDERWRITERS ASSOCIATION OF CHICAGO.

EXECUTIVE COMMITTEE.

Danford M. Baker, Chairman; Jonathan C. Jackson, Fred. B. Mason, Dr. S. L. Fuller, W. S. Candee, Ira J. Mason.

OFFICERS: James W. Janney, President, 325 Marquette Building.
Richard D. Bokum, First Vice-President.
Fred. B. Mason, Second Vice-President.
Samuel W. Fowler, Secretary.
Hervey S. Dale, Treasurer.

CHICAGO, Ill., October 21, 1901.

Mr. Jonathan C. Jackson, 209 Tacoma Building, City:

MY DEAR MR. JACKSON—Your letter of yesterday is received, and I have pleasure in making prompt reply.

Personally and as a member of our association, I deprecate anything that was said at the meeting Tuesday evening that can be construed as "personal" either to Mr. Farley or to the Mutual Life insurance company, and in this expression I am sure I voice the sentiments of our fellow members.

The allusions to which you refer were an individual expression, and you know that in such an organization it is not possible to anticipate tenor nor to control the utterances of impromptu speech.

The speaker to whom you refer is an associate member of our association, and his remarks, as an onlooker at Portland, were made upon his own responsibility.

Our association stands for the life insurance business and for the life agents. We know no "company," and it would be as unbecoming as it has been unusual for us to descend to abuse or severe criticism of any company.

We are to be congratulated that for many years no personal or company complications have marred the harmony of the Chicago Life Underwriters' Association, and it is our earnest wish that the same unity and good fellowship and the same devotion to the objects of our organization may claim our undivided efforts in the future. To this end we cordially desire the co-operation of every Chicago agent of the Mutual Life insurance company. I am, Very truly yours,

(Signed) JAMES W. JANNEY, President.

Examination of the Mutual Benefit Life Insurance Company—Report of Examiner Fackler.

Hon. William Bettle, Commissioner of Banking and Insurance of New Jersey:

SIR—I have the honor to report that the periodical examination of the Mutual Benefit Life insurance company, of Newark, N. J., has now been completed and that the results are as summarized below:

The company holds such a large number of real estate mortgages (nearly 14,000) that much time was required for the verification of title and appraisal of properties to the extent deemed proper; the other branches of the investigation were concluded much earlier.

The examination was made particularly as a test of the correctness of the company's annual statement filed at the beginning of this year, showing its business for the year 1900 and its condition on December 31, but the cash books for the previous four years—and other books as far as necessary—were critically inspected, so as to cover the period since the last examination by your department. Everything was found correct, as shown by the appended report of the keen and experienced auditor, to whom were intrusted the details of this branch of the work with my constant oversight.

The records and personnel of the company indicate a perfectly straightforward administration solely in the interests of the policy-holders—so liberal and accommodating, indeed, as to require particular care by the examiners in the investigation of special cases.

The items of "ledger assets" were found exactly in accordance with the books, except in one respect, viz., it appeared that the premium notes (over $4,500,000) had been overstated by $120.50. The "non-ledger assets" are of such a character that it was impracticable for the company to ascertain their exact amount within the short time allowed for filing the annual statement. It was found that the company had understated the "interest due" on mortgages by $10, and the "interest accrued" by $861.34. The "deferred premiums" and "unpaid premiums" accounts involved many myriads of items, and after finding, by laborious investigation, that the balance of error was evidently small and probably would result in the company's favor, it was decided to accept the company's amounts as reported, both as to these latter items and also all the others, including those in which the company was found to have understated its credits.

In the valuation of the policy liabilities, the Massachusetts Insurance Department courteously agreed to co-operate and make such examination of the policy records as might be found necessary as a basis for an independent certificate. Its valuation, when completed, was found to be practically the same as that already certified to by your department (the New Jersey exceeds the Massachusetts valuation by $2,304, in a total of over $67,000,000).

All items of liability that could be definitely ascertained and listed, at the time of filing the company's report, were found correct, and all the items that were not then definitely known were found to have been considerably overestimated. Thus the company charged itself with $225,000, as possibly due for deaths prior to January 1, 1901, of which no proofs (nor even notices) had yet been received, but on a careful inspection of the death claim register four months after that date, the total claims thus chargeable were found to be only $174,939, or over $50,000 less.

The verification of the statement as to "bonds owned" was participated in by Deputy Commissioner Johnston and others from your office, and the company's statement of their market values was also found correct, as were the "loans on collateral," "cash in office or in bank," and other minor items.

Mortgage loans on real estate constitute over one-half of the invested assets, and their general excellence was shown by the fact that on December 31 less than three-hundredths of the mortgage interest was overdue and that the total amount of property still in the company's hands—through all the foreclosures during its entire history of over fifty-five years—is not quite 7 per cent. of its present mortgage loans. To test the matter more directly, I selected the loans in 1895, amounting to $5,526,325, and, following their history down to June, 1901, found that only $134,000, or 2½ per cent., had been foreclosed in a period of over five years—quite long enough to disclose any weakness. The sales of property taken under foreclosure, so far as investigated, indicate that in general there was full intrinsic value in the property, though the mortgagor may have been weak financially.

The appraisals of real estate owned by or mortgaged to the company were made by persons recommended by the insurance departments of the States where the property is located, except in one case where the State officials ignored the repeated requests of this department and compelled me to visit the State and find suitable men. The real estate owned by the company as a whole is worth much more than the amount stated in its report, for, though the appraisals of properties taken under foreclosure seem to indicate a slight disparity ($25,074) as compared with the book values, a conservative valuation of its office property, bought for its own use, is entirely the other way, so that the company's condition may fairly be considered about $300,000 better than that shown in its annual statement; but as the purpose of the examination was simply a general verification of its annual statement, I prefer to leave it as the company made it.

All details connected with the mortgages and real estate were referred to the able lawyers, ex-Judge Howard W. Hayes and Mr. Edward H. Duryee, who have had large experience in other examinations, and their report, filed herewith, will give all further information desired. Respectfully submitted,

DAVID PARKS FACKLER, Examiner.

October 29, 1901.

Annual Meeting of the Boston Board of Fire Underwriters.

The nineteenth annual meeting of the Boston Board of Fire Underwriters was held at its quarters on Kilby street, Boston, last Tuesday morning. On account of the absence of President Fred B. Carpenter, who was attending the New York Conference on Uniform Practices for Fire Underwriting Associations, Mr. Alfred M. Bullard, of the executive committee, occupied the chair.

The recent letter of the Eastern Union to Boston agents, regarding the reputed storage of an immense quantity of naphtha by the Boston Gas Light Company, was informally discussed, but no action was taken on the matter.

The election of officers for the ensuing year resulted in the choice of Mr. Carpenter as president for a second term, and Mr. Osborne Howes was re-elected secretary, as for many years past. On the executive committee George P. Field, A. M. Bullard and B. B. Whittemore were re-elected, and James Bruerton, E. C. Brush and George O. Russell were chosen to take the place of Messrs. Pope, Stevens and Eastman, who had served the limit of the term established by the laws of the board.

REPORT OF THE EXECUTIVE COMMITTEE.

The executive committee made a long report, in which details, with comparisons by years, were given of the improvements made by the Board. The principal items in the year ending October 31, 1901, were as follows: Fire pails placed or position improved, 1,269; water cans or boxes placed, 662; metal ash receptacles placed, 213; stoves and forges made safe, 211; windows repaired, 202; funnels, funnel holes and flues made safe, 173; lights made safe, 146; cellars cleaned, 139; fire doors placed or improved, 124. The continuation of the report was in part as follows:

The total number of inspections made during the last twelve months was	7,861
Buildings found in good condition	6,639
In fair condition	1,145
In bad condition	77
The total number of buildings in which improvements were made was	2,598

Attention was called last year to the effect of the Board's system of inspection as tending to reduce steadily the number of buildings in a bad condition from the point of view of fire hazard, and the increasing number found to be in a good condition. This tendency still continues, with the possible final result of making it a rare exception to find a building in the business section of Boston which, from the indifference or carelessness of those occupying it, will be in as unsafe a condition, from a fire point of view, as many of our buildings were a few years ago.

In addition to the number of inspections referred to above, 566 visits were made during the year by the special inspector on fireproof buildings for the purpose of making, during the process of construction, a careful examination of these. In the last twelve months thirty-two first-class buildings have been completed. * *

There are at the present time thirty-three first-class buildings in process of construction in this city, and since our special inspection of this class of buildings was first started, 147 of them have been completed and occupied. There is reason for believing that some of the leading architects in this city have come to the conclusion that, considering the ease of construction, cost of maintenance and insurance, a "first-class" building, that is, a fireproof building, is a better investment for the owner of real estate than is a "second-class" building. The first cost may be a little greater, but in the judgment of the authorities named the depreciation which takes place in six or eight years in a second-class building is far greater than that which occurs in the case of a first-class building, thus fully offsetting the difference in the original investment.

During the past twelve months 4,690 notices have been received from contractors making electrical installations. Of these, 402 were notices of work where the wiring was to be concealed, and in these latter instances immediate attention was given and repeated visits were made as frequently as seemed necessary. It has not been possible, with the force which the Board has at its command, to give to the open-work installation the attention that could be wished. Our three inspectors cover all the ground that they can, but are compelled to depend in this class of work in some degree upon the city inspection carried on by a force several times larger than our own. During the year twenty-eight fires have occurred apparently occasioned by electric causes. The losses in three of these have not yet been adjusted, but in the twenty-five others where there has been time to adjust and settle the losses, they are found to have amounted to $2,848.75. Much the larger part of this amount was in settling one loss caused by sparks from a belt igniting the vapor of benzine, and another in a hotel caused by the occupant of one of the rooms winding a pendant electric cord around the stem of a radiator valve, thus grounding the circuit.

There are 310 buildings in this city equipped with automatic fire alarms. Of these sixteen have been equipped and approved during the past year. In seventy-three cases these buildings are also supplied with sprinkler equipments. As in the past, there have been during the last twelve months two careful inspections made of all of the automatic fire alarm installations in this city. During the same term forty watch clock locations have been laid out, and in eighteen buildings new watch clock installations have been examined and approved, and also one system of auxiliary alarm.

The work of the sprinkler department has consisted in inspecting and approving nine new automatic sprinkler equipments, and in examining at relatively short intervals, say once in six weeks, all of the automatic sprinkler installations in this city for which the Board makes a reduction in rate. We have under the supervision of the Board 201 sprinkled risks. Through our inspection of last year it was necessary to order changes or repairs to be made, some of them amounting almost to reconstruction, in ninety-three of these buildings, thus confirming the force of the statement which has been more than once made, that the value to underwriters of an automatic sprinkler system is almost entirely dependent upon its frequent examination by competent experts. During the year eleven fires occurred in risks protected by sprinklers, occasioning a loss of approximately $3,200. The largest loss in this class, amounting to $1,726, was chiefly a water damage.

The periodical inspection of the property of the Boston Elevated Railway Company was maintained through the year, and will be continued during the coming year, that company paying the expense of this work.

The more important work in the line of changes in rates which the Board has undertaken during the last twelve months has been the increases made in the rates on the various lumber risks and the coal risks of this city, changes brought about by the belief that the liability to loss warranted the making of these advances. Besides these, the Board decided that it was desirable to extend the 80 per cent. guarantee to the thousands of small mercantile and mechanical risks located in all parts of the city rated under its minimum tariff; a change which must have the ultimate result of making this class of business much more satisfactory to the insurance companies than it has been in the past.

Each year the Board has to meet problems which arise due to the incoming of new methods and devices, many of these advantageous to the comfort or business of the people, but often attended with an increase in the fire hazard. It has been the settled policy of the Board not to oppose the introduction of new methods and devices that tend to improve the business facilities of the community, because as citizens of a great manufacturing and commercial centre it has been felt that we could not afford to throw obstacles in the way of the proper development of the trade of our city. But it is the province of the Board to arrange that such new devices and methods as are introduced shall be used in a manner that will eliminate as far as possible the fire hazard which may be incident to their employment. Thus, during the last year we have had to arrange for the storage, under conditions of safety, of a large number of dangerous chemicals which enter into the various processes of manufacture, and to provide safeguards for the use of light distillations of petroleum in motors, both stationary and movable. Another kindred subject which the Board has taken up has been

the determination of the liability that the companies are under in insuring risks where a system of artificial refrigeration is in use.

It is not possible at this time to predict what the fire experience of Boston is to be for the current year. For the first six months the ratio of fire loss to premium receipts was considerably larger than for a number of the preceding years; but during the four months that have passed since the 1st of July fire losses in this city have been relatively small, with the probability that if this good record is continued the result of the year may not be materially different from the satisfactory experiences of the recent past. The fire department of Boston is maintained at the same high state of efficiency; there is no reason to complain of the mechanical facilities in the way of pieces of apparatus, water supply, etc., which the city government has provided, while the steady increase in the construction of "first-class" or fireproof buildings furnishes assurance of the diminished probability of our city having to suffer from a sweeping conflagration.

Your committee would recommend that to continue the work of the Board an assessment of one and one quarter per cent. be levied on the premiums of the companies doing business in Boston as returned to the treasurer of the Boston Protective Department for the six months ending June 30, 1901.

Frederick B. Carpenter, president; George A. Eastman, Francis H. Stevens, Arthur W. Pope, Benjamin B. Whittemore, Alfred M. Bullard and George P. Field, executive committee.

Conference on Uniform Practices for Fire Underwriting Associations.

A conference of representatives of fire underwriting associations was held in the city of New York in the local board rooms on Tuesday, Wednesday and Thursday of this week, with the view of adopting certain forms and clauses for recommendation to fire insurance companies. The National Board of Fire Underwriters was represented by F. C. Moore, John H. Washburn, F. O. Affeld, George W. Hoyt and C. F. Shallcross, and other organizations were represented as follows: the South Eastern Tariff Association, President H. C. Stockdell; New England Insurance Exchange, President George Neiley; Underwriters' Association of New York State, J. M. Carothers; Western Union, Truman W. Eustis; Association of the Middle Department, Paul Turner; New York Fire Insurance Exchange, Manager Henry E. Hess; Boston Board of Fire Underwriters, President Fred B. Carpenter. Mr. Moore presided, and Mr. H. K. Miller, general agent of the National Board, acted as secretary.

During the several sessions of the conference, which adjourned on Thursday to reassemble in December, the following clauses were agreed upon:

AVERAGE CLAUSE.

"This company shall not be liable for a greater proportion of any loss or damage to the property described herein than that which the sum hereby insured bears to —— per centum (—— per cent.) of the actual cash value of said property at the time such loss shall happen; and if the insurance under this policy is divided into two or more items this condition shall apply to each item separately."

REDUCED RATE AVERAGE CLAUSE.

"In consideration of the reduced rate at which this policy is written it is expressly stipulated and made a condition thereof that this company shall not be liable for a greater proportion of any loss or damage to the property described herein than that which the sum hereby insured bears to —— per centum (—— per cent.) of the actual cash value of said property at the time such loss shall happen; and if the insurance under this policy is divided into two or more items this condition shall apply to each item separately."

FIVE PER CENT. WAIVER CLAUSE FOR MERCHANDISE.

[The following clause can be used only on policies containing the average clause and covering specifically on stocks of merchandise, but in no case on blanket or floating policies]:

"In case of claim for loss under this policy or any item thereof on merchandise, for less than 5 per cent. of the amount of insurance on such merchandise, no special inventory shall be required for the purpose of ascertaining the sound value of the merchandise not damaged."

A—CLAUSE EXEMPTING CONSEQUENTIAL DAMAGE.

[Recommended to be attached to all policies covering on merchandise, stocks or products in buildings artificially cooled other than solely by the storage of ice]:

"This company shall not be liable for any loss or damage caused by change of temperature resulting from, occasioned or caused by the total or partial destruction or disablement by fire or lightning, of the cooling or other apparatus, connections or supply pipes, nor by the interruption of the cooling or other processes from any cause."

A committee has in preparation Form B, for use where it is designed to assume the consequential hazard, and the suggestions of underwriters are invited by the committee, and may be sent to the National Board.

An Agent's Receipt for the First Premium Does Not Bind a Life Insurance Company to Issue the Policy.

A decision of interest to life insurance companies and agents was rendered in the United States Court of Appeals this week at Richmond, Va., a statement of which and of the particulars in the case we find in the Richmond *Despatch* as follows:

The case was that of E. Spencer Miller, executor of Hobart Miller v. the Northwestern Mutual Life insurance company, in which the finding of the United States Circuit Court at Abingdon, favorable to the company, is affirmed. The points at issue were as to whether the acceptance of the first premium payment by an agent binds a company, as to the extent to which an insurance agent represents and is authorized to act for his company, and as to whether the argument can be entered, when an application has been declined, that a person is a good risk and should have been accepted.

The third of these points seems to have been so conclusively settled by the references of Judge Paul, in the lower court, to many decisions setting forth a company's right to decline a risk without being required to give a reason therefor, that it does not seem to have figured in the appeal to the higher court.

The facts in the case are these: On June 7, 1898, Hobart Miller, of Coeburn, Wise County, Va., made application for $5,000 insurance in this company on the endowment plan. The premium, $241.20, was not paid on that date. On June 13 Miller was examined by a physician, and on June 14 he paid the local agent the premium upon being informed that this payment would put the policy in force from date, subject to its acceptance by the company at its home office. The application was promptly forwarded to the company, whose medical director wrote back, inquiring more fully concerning one point of the report. To this Mr. Miller replied on July 1, giving the information desired, and closing: "I hope this statement will be satisfactory. If it is not, please return me the check forwarded to you, and consider my application as withdrawn."

On July 9 the company wrote to its Richmond general agent, Mr. T. A. Cary, that the application of Miller was declined. This was received in Richmond on July 11, and on the same day the agent at Richmond sent notice of the rejection of the application to the local agent, John, at Coeburn, Va., inclosing with the notification a check to the order of Hobart Miller, the applicant, for the $241.20, which had been previously paid as premium. On that same day the applicant died from appendicitis, after having been attended by Dr. George Ben Johnston. When the letter of notification that the application for insurance had been rejected and the check reached John at Coeburn the applicant was dead, and there was no one to whom the check could be paid. The defendant had no notice of applicant's sickness at the time the application was rejected, nor was the agent at Richmond informed of his sickness and death when the notice was received by him and forwarded to John, the agent at Coeburn. The plaintiff declined to receive the $241.20 premium, and brought suit for $5,000, with interest, from July 11, 1898. The Circuit Court, Judge Paul on the bench, after hearing the evidence, directed a verdict for the defendant, and it was so returned by the jury without leaving their seats. The plaintiff excepted, sued out a writ of error, and took the case to the United States Circuit Court of Appeals, the ultimate and

final case for one of this character. The case was argued on May 9, 1901, before Judges Goff, Morris and Boyd.

The opinion in the case was written by Judge Boyd and affirms the action of the lower court. In the conclusion of his opinion, in summing up the case, Judge Boyd states that "the whole course of the transaction under consideration, in our opinion, supports the conclusion that the applicant fully understood John's position; that he was merely the instrument of negotiation, and that no contract of insurance was effected until the application was approved by the company at its home office and the policy issued. The conversation between John and the applicant with reference to the payment of the premium bears out this conclusion, for although John told applicant that the insurance would take effect from the time of the payment of the premium, he qualified this statement by saying that the company would have to approve the application, to which the applicant assented.

"The receipt given by John does not sustain the contention that the payment of premium at that time bound the company. The receipt does not in itself contain any terms which can be construed into a contract to insure; on the other hand, it expressly recites that the money paid by the applicant to John was paid as the first annual premium on policy for $5,000 with the Northwestern Mutual. No policy was in existence when the receipt was given, because none had been issued. The application which accompanied the premium was applicant's proposal for insurance, subject to the approval of the company, the approval to be in the form of a policy, which, when issued, became the evidence of the company's obligation. It was the first premium upon this policy when issued that the applicant was paying, and we are unable to find any other conclusion consistent with reason and intelligent business dealing."

Home Life Insurance Co.

256 BROADWAY, NEW YORK.

GEO. E. IDE, - - - - President.

Assets,	$12,342,247.00
Dividend Endowment Accumulations,	736,337.00
Contingent Fund,	65,875.00
Net Surplus,	1,282,588.30

When Working for The Mutual Life... You needn't introduce the Company—the Company introduces you. There you have it. You needn't take a minute or a word to prove where The Mutual stands or what it stands for. The whole world knows its masterful leadership—just as you know it yourself. But there are some things you may not know.

DO YOU KNOW

That **The Mutual Life** is especially helpful to agents?
That **The Mutual Life** writes the most liberal policies?
That **The Mutual Life** gives the highest guarantees?
That **The Mutual Life** has policies that meet every requirement of investment as well as of protection?

Look into these things. Take no one's say so, but investigate,

The Mutual Life Insurance Company

OF NEW YORK,

RICHARD A. McCURDY, President.

IT IS THE LARGEST FINANCIAL INSTITUTION IN THE WORLD.

Income in 1900, - - - $60,582,802.31
Assets January 1, 1901, - - $325,753,152.51

It has room for workers who are not rebaters. Address

GEORGE T. DEXTER,

Superintendent of Domestic Agencies,

NEW YORK.

1825. THE 1901.

Pennsylvania Fire Insurance Co.

OF PHILADELPHIA.

Cash Capital,	$400,000.00
Re-insurance and all Liabilities,	2,771,038.56
Surplus,	2,163,883.97
Total January 1, 1901,	$5,334,922.53

R. DALE BENSON, Prest. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Prest. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

HANOVER

Agencies in all the Principal Places in the United States.

Fire Insurance Company

OF NEW YORK.

Established 1782.

Phœnix Assurance Company,

OF LONDON.

FIRE INSURANCE ONLY. LOSSES PAID OVER $100,000,000.

Head Office for the United States, 37 Liberty St., N. Y.

A. D. IRVING, Manager. E. B CLARK, Asst. Manager.
LOUIS P. BAYARD, 2d Asst. Manager.

COMMERCIAL UNION ASSURANCE CO.

LIMITED,

OF LONDON.

OFFICE:

Cor. Pine & William Sts., New York.

ORDINARY and INDUSTRIAL PROFIT SHARING POLICIES.

EXCEPTIONAL ADVANTAGES TO

..... Active Agents.

WRITE TO

THE PRUDENTIAL INSURANCE CO. OF AMERICA

JOHN F. DRYDEN, President. Home Office: NEWARK, N. J.

ÆTNA

LIFE INSURANCE CO.

MORGAN G. BULKELEY, PRESIDENT

Largest Company in the World doing Life, Accident and Health business

ASSETS, OVER . . . $56,000,000.

MOWRY and PATTERSON, Managers Life Department.
GEORGE C. STERLING, Manager Accident Department.

Continental Building, 46 Cedar Street, NEW YORK CITY.

Provident Savings Life Assurance Society

OF NEW YORK.

EDWARD W. SCOTT, PRESIDENT.

THE BEST COMPANY FOR POLICY HOLDERS AND AGENTS.

SUCCESSFUL AGENTS, AND GENTLEMEN SEEKING REMUNERATIVE BUSINESS CONNECTIONS, MAY APPLY TO THE HEAD OFFICE, OR ANY OF THE SOCIETY'S GENERAL AGENTS.

German American Insurance Company New York

29th ANNUAL STATEMENT, JANUARY 1st, 1901.

Cash Capital,	$1,000,000.00
Reserve for all Liabilities,	3,408,569.64
Net Surplus,	4,267,711.70
TOTAL ASSETS,	$8,676,281.34

THE Fidelity and Casualty Company,

97-103 CEDAR STREET, NEW YORK CITY.

Assets, $4,435,558.87. Surplus, $1,107,870.54.
Losses Paid to June 30, 1901, $13,478,114.16.

CASUALTY INSURANCE SPECIALTIES:

Bonds of Suretyship for persons in positions of trust, Personal Accident, Plate Glass, Boiler, Elevator, Employers' and Landlords' Liability.

OFFICERS:

GEORGE F. SEWARD, President.
ROBERT J HILLAS, Secretary and Treasurer.
HENRY CROSSLEY, Assistant Secretary.
FRANK E. LAW, Second Assistant Secretary.

The Massachusetts Mutual Life Insurance Company,

INCORPORATED 1851. *SPRINGFIELD, MASS.*

ASSETS - January 1, 1901	$26,245,622.04
LIABILITIES	23,920,986 53
SURPLUS	2,324,635.51

Definite Paid-up and Cash Surrender Values written in every Policy.

JOHN A. HALL, President. HENRY M. PHILLIPS, Secretary.

New York Office: Empire Building, 71 Broadway.
GEORGE J. WIGHT, Manager.

QUEEN

Ins. Co. of America.

NEW YORK.

The Preferred Accident Insurance Co.

OF NEW YORK.

Accident Policies. Health Policies.

Large Benefits, Low Rates, Best Commissions.

December 31, 1899:

Assets,	**$779,385.45**
Surplus,	**365,124.30**

KIMBALL C. ATWOOD, Sec'y, 290 Broadway, NEW YORK.

National Fire Insurance Company,

HARTFORD, CONN.

JAMES NICHOLS, President. B. R. STILLMAN, Secretary.
H. A. SMITH, Assistant Secretary.
HEAD OFFICE, 95 Pearl Street, Hartford, Conn.

WESTERN DEPARTMENT.
FRED. S. JAMES, General Agent.
G. W. BLOSSOM, Asst. Gen'l Agent.
Office, 174 La Salle St., Chicago.

PACIFIC DEPARTMENT.
GEO. D. DORNIN, Manager.
GEO. W. DORNIN, Asst. Manager.
Office, 409 California St., San Fran.

The Mutual Benefit Life Insurance Co.

NEWARK, N. J.

AMZI DODD, - - PRESIDENT.

ASSETS (Market Values) Jan. 1, 1901.....$74,311,468.25
LIABILITIES, N. J. and N. Y. Standard..... 68,186,103.34
SURPLUS,..... 6,125,364.91

MUTUAL BENEFIT POLICIES

—CONTAIN—

Special and Peculiar Advantages

WHICH ARE NOT COMBINED IN THE

POLICIES OF ANY OTHER COMPANY.

ESTABLISHED IN 1822.

THE NATIONAL ASSURANCE COMPANY OF IRELAND.

GEORGE E. KENDALL,
United States Manager,
HARTFORD, CONN.

The Agricultural Insurance Company of Watertown, N. Y.

ESTABLISHED 1853.

Assets, January 1, 1901.....$2,283,558.42
Total Liabilities, except Capital.....$1,240,017.87
Joint Stock Capital..... 500,000.00

THERE ARE FEATURES IN THE FIFTY-THIRD ANNUAL REPORT OF

The Penn Mutual Life Insurance Company

Of interest to all engaged in life insurance work.
A copy on request.

THE PENN MUTUAL LIFE INSURANCE COMPANY,
921-925 CHESTNUT STREET, - PHILADELPHIA.

PHENIX INSURANCE COMPANY,

OF BROOKLYN, N. Y.

NEW YORK OFFICE:
47 CEDAR ST.

State Mutual Life Assurance Co.,

OF WORCESTER, MASS.

A. G. BULLOCK, President.
Incorporated 1844.

Issues policies, incontestable after two years, protected by the Non-Forfeiture Law of Massachusetts. Yearly dividends.

Assets..... $17,754,046
Liabilities..... 15,889.512

Surplus January 1, 1901..... $1,864,534

C. W. ANDERSON, General Agent, 189 BROADWAY, NEW YORK.

The Union Central Life Ins. Co.,

CINCINNATI, OHIO.

Assets, January 1, 1901, ... $26,440,297.28
Surplus, ... 3,693,343.46

No Fluctuating Securities. Largest Rate of Interest. Lowest Death Rate.

Endowments at Life Rates and Twenty Payment Guaranty Policies Specialties.

Large and increasing Dividends to Policy-holders. DESIRABLE CONTRACTS and GOOD TERRITORY open for LIVE Agents.

Address JOHN M. PATTISON, President.

Scottish Union & National Ins. Co.

ESTABLISHED 1824.

No. 35 St. Andrew Square, Edinburgh, Scotland.
No. 3 King William Street, E. C., London.

United States Branch: Hartford, Conn.

CHARTERED 1866.

The Old Reliable

Hartford Life Insurance Co.

HARTFORD, CONN.

In its Industrial Branch issues Whole Life, Endowment, Semi-Endowment and Life-Endowment-at-Age-80 Policies, in amounts from $10 to $500 and from ages 2 to 60.

These policies are plain in terms and conditions. Cash Surrender and other values are written in the contract. All "Hartford" Policies are in full immediate benefit in case of death by accident.

Best to sell or insure under. ***Over $20,000,000 Paid in Benefits.***

GEO. E. KEENEY, President. CHAS. H. BACALL, Secretary.

Connecticut General Life Ins. Co.,

HARTFORD, CONN.

Assets, January 1, 1901..... $3,765,824.33
Liabilities..... 3,416,031.86
Surplus to Policy-holders..... $349,792.67

This Company offers a Policy having liberal provisions for Cash Values, Paid-Up Insurance, Residence and Travel, with Ample Security. Active and Experienced Agents Wanted.

R. W. HUNTINGTON, Jr., President. E. B. PECK, Assistant Secretary
F. V. HUDSON, Secretary. JAMES A. TURNBULL, Actuary.

The American Fire Insurance Co.,

PHILADELPHIA, PA.

CASH CAPITAL..... $500,000.00
Reserve for Reinsurance, and all other Claims..... 1,603,605.54
Surplus over all Liabilities..... 247,360.42

TOTAL ASSETS, JANUARY 1, 1901..... $2,477,069

THOMAS H. MONTGOMERY, Prest.
RICHARD MARIS, Sec. and Treas. WM. F. WILLIAMS, Asst. Sec.
WM. B. KELLY, Gen. Mgr.

DIRECTORS—Thomas H. Montgomery, Israel Morris, Pemberton S. Hutchinson, Joseph E. Gillingham, Charles S. Whelen, Edward F. Beale, John S. Gerhard, Edward Lowber Welsh, Archibald R. Montgomery.

Germania Fire Insurance Co.

Southeast Corner of William and Cedar Streets, New York.

STATEMENT, JANUARY 1, 1901.

Cash Capital..... $1,000,000.00
Reserve for Unearned Premiums..... 1,563,778.00
Reserve for Losses under adjustment..... 81,571.61
Reserve for all other Claims..... 42,475.49
Net Surplus..... 2,275,975.38

Total Assets..... $4,963,800.48

HUGO SCHUMANN, Prest.

FR. VON BERNUTH, GEO. B. EDWARDS, } Vice-Presidents. CHARLES RUYKHAVER, Sec. GUSTAV KHER, Asst. Sec.

1846—1901.

THE CONNECTICUT MUTUAL LIFE

Insurance Company.

WHERE THE CONNECTICUT MUTUAL STANDS.

During all the long struggle out of which this situation has developed, and amid the many schemes devised to attract public attention and favor to something else than life insurance, the attitude and position of the Connecticut Mutual have never been doubtful.

It has held to the cardinal facts: Life insurance is for the protection of those dependent on a man's life; their dependence makes it his unavoidable duty. Those dependents we assume to protect by our contract, at his personal cost; our duty to them is to make that protection as large, as secure, and as certainly available to them as possible; our duty to him is to make its cost to him as small as possible.

JACOB L. GREENE, President. **HERBERT H. WHITE, Secretary.**
JOHN M. TAYLOR, Vice-President. **DANIEL H. WELLS, Actuary.**

The Metropolitan Life Insurance Co.

(INCORPORATED BY THE STATE OF NEW YORK.)

"The Leading Industrial Insurance Company of America,"
IS REPRESENTED IN ALL THE PRINCIPAL CITIES OF THE UNITED STATES AND IN CANADA. THE PAYMENT OF OVER 250 DEATH CLAIMS DAILY TELLS OF THE GOOD IT DOES. INSURANCE IN FORCE OF OVER $900,000,000 ATTESTS ITS GREATNESS AND FAVOR WITH THE PUBLIC.

Permanent, Profitable and Progressive Employment.

AGENTS WANTED—Any honest, capable, industrious man, who is willing to begin at the bottom and acquire a complete knowledge of the details of the business by diligent study and practical experience can, by demonstrating his capacity, establish his claim to the highest position in the field. It is within his certain reach. The opportunities for merited advancement are unlimited. All needed explanations will be furnished upon application to the company's superintendents in any of the principal cities, or to the Home Office, No. 1 Madison Avenue, New York City.

JOHN R. HEGEMAN, President.
HALEY FISKE, Vice-President. GEORGE H. GASTON, Second Vice-President. GEORGE B. WOODWARD, Secretary. J. J. THOMPSON, Cashier and Assistant Secretary. JAMES M. CRAIG, Actuary. JAMES S. ROBERTS, Assistant Secretary. STEWART L. WOODFORD, Counsel. THOS. H. WILLARD, Medical Director. A. S. KNIGHT, Assistant Medical Director.

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.
FOUNDED 1792.

Assets, January 1, 1901		$9,583,791
LIABILITIES—Reserved for Reinsurance and all other claims	$4,805,254	
Capital Stock	3,000,000	
Surplus over all Liabilities	1,778,537	$9,583,791

Agents in all the principal towns and cities.

CHARLES PLATT, President. EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. BENJAMIN RUSH, Second Vice-President.
T. HOUARD WRIGHT, Marine Secretary. JOHN B. ATWOOD, Assistant Secretary.

Offices in New York: Fire, William and Pine Sts.; Marine, 63 Wall St.

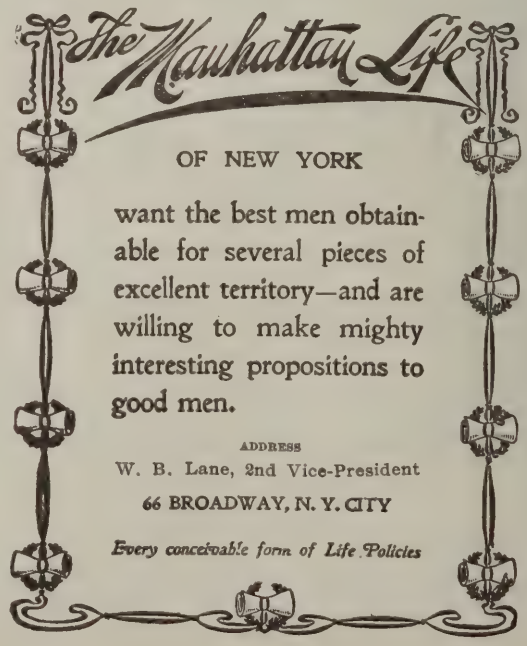
Northern Assurance Company,

OF LONDON, ENGLAND.

EASTERN AND SOUTHERN DEPARTMENTS,

38 PINE STREET, NEW YORK.

GEORGE W. BABB, JR., Manager. T. A. RALSTON, Sub-Manager.



The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

VOL. LXV. SATURDAY, NOVEMBER 23, 1901. No. 21.

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Checks and money orders should be made payable to the order of THE WEEKLY UNDERWRITER.

CONDUCTED under the auspices of *Rough Notes*, a series of examinations will be held in the board rooms of several leading cities of the office employees and local agents of fire insurance companies upon such subjects as policy writing, schedule rating, insurance mathematics, insurance law and general insurance. Candidates who make a certain number of given points will receive certificates of proficiency which should prove useful to them in advancing their interests in their vocation. In short, these examinations, suggested doubtless by those in practice in the civil service and among candidates for the bar, will be conducted substantially on the same lines. We are glad to observe that the arrangement has received the cordial approval of underwriters in the principal insurance centres, and that such competent examiners as Mr. George P. Field in Boston, Mr. George E. Kendall in Hartford, Mr. John P. Hubble in Chicago, Mr. George D. Markham in St. Louis and Mr. R. P. Barbour, secretary of the Insurance Society, in New York, have consented to conduct these competitions. The idea is characteristic of the enterprise of our esteemed contemporary, and will redound to its credit as well as the advantage of the younger generation of fire insurance men.

THE Mutual Reserve Fund Life Association has sent us a copy of a communication which it has addressed to the Insurance Commissioner of Tennessee, announcing its withdrawal from business in that State, accompanied by its reasons for doing so. We publish the communication in another part of this issue. The statement of the attitude of the association toward the Tennessee department differs in one important point from that given out in the Nashville newspapers as coming from the commissioner, and from which we quoted last week. It was there represented that all questions involving the legality of the acts of the association would, by agreement, be left to the Tennessee courts for adjudication. The association expressly repudiates any intention of having itself so understood, on the ground that it could not, if it would, stipulate away the jurisdiction of the courts of its own State over its acts of internal management. In this position the association is unquestionably right. If Commissioner Craig exacted such a condition the relations of the association with Tennessee were *ipso facto* dissolved and the notice of withdrawal was a mere formality. We notice the willingness expressed in the communication that an examination of the affairs of the association be made by Tennessee if the New York department consents to its co-operation. The reputation of the association is suffering sadly for that examination, and it should be hurried up. A favorable result of a competent and honest investigation, provided it is "drastic," is what is now absolutely needed to establish a standing. That would disarm all criticism.

THE trades union movement among the industrial life agents, which suffered a blight in Philadelphia, has broken out afresh in Chicago, although its inception there is not formidable. Some fifty agents representing the two leading companies have been organized into a union by the local president of the American Federation of Labor, and have decided upon a schedule of "demands," which include an increase in salaries, less onerous restrictions as to lapses and arrears, the abolition of the blacklist and the annulment of the rule which prevents agents leaving one company from taking employment from another under two years. The circumstance that workingmen compose the class with which industrial companies do most of their business is claimed by the union leaders to insure the success of the movement, because workingmen will be enjoined from dealing with solicitors who cannot show union cards. It may be mentioned that the Federation organizer in the present case has promised to bring the whole power of the organization to the aid of the industrial brethren in a sympathetic boycott of the companies which refuse to allow their field employees to regulate their business. If but fifty agents of the many thousand at work in Chicago can be induced to join this movement—and it seems that a pretty thorough canvass of the agency forces was made by the union men—there need be no uneasiness at the home offices. The only possibility of a trades union success by industrial agents, we apprehend, would come from a division among the companies themselves. There will exist a certain degree of temptation to cut away the business of a competitor by taking the Federation of Labor into partnership. It is not likely that any of the large companies would resort to this course; but the weaker concerns might make the effort to build themselves up in this way.

WE print the essential parts of the answer of Insurance Commissioner Cutting, of Massachusetts, to the application made by the Provident Savings Life Assurance Society in the supreme judicial court of that State for a mandamus to compel him to value the society's policies according to their expressed terms. The answer makes a number of admissions and denials; but the first and perhaps most important question which it forces the court to decide is whether it has any jurisdiction in the case. The question, says the respondent, whether a policy is of the one sort or the other and is to be valued according to his method or according to the method urged by the society is one of actuarial science, upon which actuaries are not agreed, and is not a question of law, "and the decision thereof by the respondent in good faith and according to his judgment and discretion is not

subject to revision by this honorable court." If the honorable tribunal acquiesces in this view of its authority there will be no need of going further; the controversy ends at once, so far as Massachusetts is concerned, and the commissioner is installed in unhampered control of the methods by which life insurance companies may do business in the State. We should be sorry to see any court satisfied to deny policy-holders its protection and abandon them to the sweet will of any public official. We believe that this court will assert its jurisdiction and instruct the commissioner as to his duty. If, as Mr. Cutting says, the question at issue is one upon which differences of opinion exist, it is obviously one which some superior power should definitely settle, for otherwise it becomes the shuttlecock of successive officials, each of whom may have his own peculiar idea of how valuations shall be made. Such a condition, under our rotative system of office holding, would become intolerable to companies. The Massachusetts Supreme Court may side with the commissioner or it may agree with its judicial counterpart of Vermont; it certainly will not dodge, we hope.

Facts and Opinions.

Our esteemed contemporary, the *Post Magazine*, of London, includes the following item in its Law Reports. The pertinence of this particular report as insurance news is rather vague, but it certainly does suggest the creation of a new department in the business of casualty indemnity companies; the insurance of store teeth against breakage in eating pie:

While Mr. Arthur Moyes, a London bank clerk, was eating a beefsteak pie which he had purchased from Messrs. Joseph Lyons & Co., Limited, of Kensington, his artificial teeth came in contact with a button, which knocked off two of the teeth and broke the mouthplate. A new set of teeth cost him £5, and in his claim for damages to the firm of caterers named he set down another £5 for inconvenience. The firm referred him to an insurance company, but he preferred to appeal to Sir John Paget at the City of London Court, and the case was tried a few days ago. The defendants contended that they were in no way responsible. When a member of the public went to a restaurant the presumption was that he was fully equipped with teeth to eat ordinary food. It was not an extraordinary circumstance to find a piece of bone in a steak pie, and the plaintiff's teeth ought to have been strong enough to contend with it. Sir John Paget held that there had been negligence on the defendants' part. It was their duty to see that their food which they supplied contained no hidden dangers alien to its character as described in the bill of fare. When a man ate a beefsteak pie, he did not expect to find a piece of bone, or a button from the coat of the man who made the pie. As to the suggestion that a man was bound to have a perfectly solid set of natural teeth before he ventured into a restaurant of high-class caterers, it was perfectly ridiculous. Firms who provided lunches took the risk of the teeth the public were likely to have. He should find for the plaintiff £5, the price of a new set of teeth, and costs; but he could not allow him anything for inconvenience.

The president of the Century Fire insurance company, of Des Moines, George J. Delmege, whose circular attacking the Union companies for throwing rates off in Iowa, and calling upon the citizens to stand by the home companies, created so much talk some weeks ago, is out with another circular, in which he shifts his appeal from the dear public to the beloved local agents. He advances the same argument, however, which is, that if the Union makes its point, through the help of the agents, it will give them all the worst of it in the end. He says: "The successful consummation of the purpose of the Union companies rests largely with the local agents. The destruction of rates means the destruction of the business, which would mean loss of employment to the agents as well as loss of business to the companies. The strong Union companies, for reasons stated in my last circular letter, might, if abetted in their purpose by the local agents, prosecute a rate war for an indefinite period, and by adopting this method they might, through the aid of the local agents, accomplish their purpose, that is, make themselves masters of the situation both as to rates of future business and commissions to be allowed the agents thereon."

Two suits have been filed in the United States District Court at Covington, Ky., by the Mutual Life of New York, one being against J. W. Adams and J. H. Frazier, of Whitesburg, Ky., charging them with attempted fraud. The petition alleges that Adams was persuaded by Frazier to take out $5,000 insurance, Frazier to be the beneficiary, and that the medical examination was made by J. Collins, who falsely represented Adams' condition. It is further alleged that Adams was unable to sign his name to the application, and that he had previously been injured in the abdomen, a fact which was concealed. These facts, it is alleged, were known both to Frazier and S. K Fitch, who conspired with Collins to defraud the company. A similar suit was filed against Frazier and S. E. Holcomb, charging Frazier with persuading Holcomb to take out a policy for $1,000, and then, with the aid of one Ford, substituting $5,000; that Frazier and his agent had misrepresented the condition of Holcomb, who was in bad health. The company asks the court to declare the policies cancelled and to declare the contracts of Adams and Holcomb void.

Reports have been in circulation in New England that a general advance in fire insurance rates in that section is in contemplation, and it has caused much inquiry from interested property owners. An official of one of the largest Hartford companies, being seen by a representative of the Hartford *Times* on the subject, said this week:

There need be no uneasiness among manufacturers and merchants in this matter. For some years past it has been recognized by the insurance companies generally that there were a few classes of business that had been unprofitable for years, and during the past year the subject has received careful consideration. The experiences of the companies have been interchanged, and on some classes have been compared with surprising results, for it has been plainly shown that the particular classes referred to have been unprofitable as a whole, and continuing so for a series of years. It is probably true that the owners of risks under the classes in mind have recognized that a higher rate should be paid and are quite ready to accept an advance. The new rates have been going into effect gradually in different sections of the country. The work of investigation is under the immediate direction of some of the ablest underwriters in the country, who have given the subject their time and attention for months past. Their aim is to see that these risks are rated entirely on their merits individually.

Our talented, amiable and humorous contemporary, the *Insurance Record*, of New York, will attain the honors of twenty-five years of completed good work in the insurance vineyard in February next. It is the intention of our contemporary to advertise itself and incidentally to cause its friends to participate in some of the fruits of its success by a grand banquet on which the profits arising from the publication of a special quarter century birthday number will be entirely lavished. This is no joke. The particulars of this event, which is going to be a ruddy day in the lives of the journalistic confrères of Brothers Smith and Sommers, and eke of their multitudinous friends in the companies, will be given in bulletins to be issued later. Bulletin No. 1, which has already appeared, says: "We are going to have a great paper and a glorious time. There will be pictures, statistics (a few), reminiscences, learned articles (a few), discussions, speakers (a few) and a general intermingling of delightful insurance souls. Dignity? Yes, some of that. Further information supplied on application."

Members of the Insurance Survey Bureau at Chicago think that now is a favorable time to renew their proposition that all

the members of the Western Union shall become members of their organization. They seek merely to supplement the work of the Union by that of their organization, but a similar proposition made some months ago, when the situation was somewhat strained, was taken by some as meaning that the Insurance Survey Bureau was trying to supplant the Union in its own field, and started a tremendous row. Interviewing committees have been at work for several days with good success. The cost of the inspections made by the bureau have been greatly reduced of late, and with the entire membership of the Union in, the work could be greatly increased and the cost per inspection still kept below 5 cents each per company.

In the Kentucky Court of Appeals November 13, the opinion of the Jefferson County Circuit Court in the valued policy case of the Thuringia insurance company against Mallott was affirmed. The court held that under the Kentucky statutes, section 700, providing that the insurance companies in case of "total loss" shall be liable "for the full estimated value of the property insured, as the full value thereof is fixed in the face of the policy," it was proper to instruct the jury that by "total loss" is meant such injury to the insured building "as to destroy its identity and specific character as a building, or such injury or damage to all the parts and materials of said building as to render the same unsafe, or without value, as the same remained after the fire, for the purpose of reconstructing the building substantially as it existed before it was burned."

A confidential circular letter, issued by M. A. Shuman & Co., of Dallas, Tex., general agents of the German insurance company of Freeport for its Southern department, to the agents within their jurisdiction, has recently been printed in the newspapers. They offered special inducements for securing business. Secretary Trembor has taken an early opportunity to deny that the letter was authorized by the company, and says:

We are offering no premiums for business and do not have to, as it is coming to us in generous quantities legitimately, and we can hardly account for this break on the part of our general agents. We are inclined to believe, however, that it must have been the act of some over-officious employee, as it does not sound like Mr. Shuman at all, and might have been issued in his absence. Our general agents can hold their own, as can the company, without resorting to such unbusinesslike methods.

The insurance editor of the New Orleans *Daily States* says that an Alabama agent has received the following letter from a neighboring city. The comments of our contemporary follow it:

"Gentlemen—The Baptist ladies of —— are building a Pastorium, and have called upon me to write you in their behalf and ask you to please donate them something and thereby assist a good cause. Our town does not charge insurance companies any tax or license, and the mayor and majority of the city officials are prominent Baptist people. If you are disposed to respond to their appeal, I assure you of their unbounded appreciation. With best wishes, &c."

Besides being amusing, this is productive of astonishment, for it reveals the existence of a town in Alabama that does not charge insurance companies any tax or license. We had no idea there was such a place. We sincerely trust the ladies will succeed in securing the funds necessary to the erection of the Pastorium.

Concerning the reports in circulation in this country emanating from Great Britain that the North British and Mercantile is about to absorb or be amalgamated with the Scottish Union and National, the United States manager of the latter company, Mr. James H. Brewster, has issued the following circular to agents:

Owing to an absurd but persistent rumor of amalgamation current in certain quarters, connecting the name of the Scottish Union and National with that of a prominent English company, it seems proper to plainly and emphatically state, on the highest possible authority, that the story is not only absolutely and positively false, but is entirely without foundation. The Scottish Union and National is too strongly entrenched in the affections of its agents and in the confidence of the public to be injured or even embarrassed by an empty rumor set in motion by the vendor of idle gossip.

In the Supreme Court at Boston last Wednesday the bill in equity of George H. Messer and others against the Massachusetts Lodge of the Ancient Order of United Workmen, asking that it be enjoined from putting the new step rate system, which is to take effect on January 1, into operation as far as present members are concerned, and from making payments to the Supreme Lodge of the Order, a Texas corporation, was brought up upon a demurrer which the defendants filed to the bill. The demur was argued by counsel, and the court decided to reserve the case for the determination of the full bench, an authoritative decision of the questions involved being desired by counsel.

In circular No. 79 of the Boston Manufacturers' Mutual Fire, President Atkinson, who has lately returned from a trip abroad, speaks of a new and very inexpensive fire and heat retardent for wooden surfaces, which he observed in Europe. It is a Russian invention, named Uralite, composed of flints reduced to a thick viscous condition as a silicate, combined with asbestos fibre, which serves as a bond. It is somewhat flexible and, of course, absolutely incombustible, and retains most of its strength after heating for some time. An agent is soon to come to America to establish the fabric here, who will bring large sheets of Uralite in sufficient quantity for thorough tests.

The second meeting of the series for this year by the Insurance Society of New York will be held at its rooms, 73 William street, on Tuesday next at 8 o'clock p. m. The subject for discussion will be "Chemicals in Fires and Chemical Causes of Fires," and an address will be delivered by C. A. Hexamer, president of the National Fire Protection Association, and manager of the Philadelphia department of the Hartford Fire insurance company, who has made a particular study of chemical action in fires, and therefore approaches the subject not only from the standpoint of chemistry but also from the standpoint of the underwriter.

At a meeting of agents of industrial life insurance companies, held at Louisville on Monday, a union was formed in affiliation with the American Federation of Labor. The Prudential men were largest in number at the meeting, and there were a few present from the office of the Metropolitan, but the John Hancock, Sun and other industrial companies were not represented. Officers were elected as follows: C. D. Hale of the Prudential, president; F. J. Siddell of the Metropolitan, first vice-president; William Bowater of the Prudential, second vice-president; D. P. Roberts of the Michigan Mutual, secretary.

Complaint will be made to Manager Glidden, of the Chicago Underwriters' Association, of violations by many offices of the brokerage rules and those restricting writing in the congested district. Several managers have been complaining of abuses, and now have what they claim to be evidence of a clear case, which they will present to the association officers for action. As a rule the board has not been able to do much with brokerage, evidence of violations being hard to get, but the officers say that if a case can be made out they will put the offenders through.

The Chicago Life Underwriters' Association experimented Tuesday night with the question box, which has been found so valuable a feature by the Iowa association, and decided that it was a good thing. A number of live questions in life insurance had been sent in or prepared and were referred to the members best qualified to answer them. The answers suggested discussions, especially on the question of permitting a change of bene-

ficiary and the argument was interesting and instructive. The December meeting will be omitted on account of the end of the year rush.

THERE has been a readjustment of the territory of several of the Western special agents of the London and Lancashire and the Orient. Paul C. Weed, special agent of the Orient for Minnesota and Iowa, has resigned to engage in the local business at St. Paul as a member of the firm of Weed, Parker & Co. Edward C. Ryan has Iowa added to his field for both companies and continues in Minnesota. A. C. Gilbert takes both companies for Nebraska and South Dakota, and J. W. Hoffman has Kansas, Missouri and Oklahoma.

THE Title Insurance Company of New York was organized on Thursday with a paid-up capital of $1,000,000 and a surplus fund of $500,000. Among the directors are John D. Crimmins, Charles W. Morse, Charles T. Barney, Ashbel P. Fitch, Henry W. Taft, Francis K. Pendleton and William F. Havemeyer. The directors have elected John D. Crimmins president, Edgar J. Levey vice-president and general manager and Cyril H. Burdett secretary. The new company will be ready for business December 1.

THE New York Life insurance company has divided the State of Georgia into two general agencies. Charles M. Hollingsworth, who for some time has been cashier in the office of Inspector of Agencies R. L. Cooney, in Atlanta, has been appointed agency director for North Georgia, while R. H. Plant, of Macon, will retain control of South Georgia. East Tennessee, which was formerly under the control of Mr. Plant, has been made a separate general agency under the direction of Mr. Merritt.

A CABLE dispatch from Paris states that M. Hugues Leroux has accepted the appointment of Hyde lecturer at Harvard University, and will sail in February next, continuing the work of his predecessors, MM. Ferdinand Brunetière, René Doumic, Edouard Rod, Henri de Regnier and Gaston Deschamps. These lectures, as is well known, are due to the generous provision made for them by Vice-President James H. Hyde, of the Equitable Life Assurance Society, a graduate of the University.

THE United States Circuit Court of Appeals, at New Orleans, on Wednesday, confirmed the judgment of the lower court in giving the plaintiff $5,000 on an accident policy carried by D. B. Noah, of Kosciusko, Miss., in the Fidelity and Casualty company. Noah was found dead in bed from a pistol shot, and there was strong evidence of suicide. The court held that the burden of proof rested on the defendant company to prove suicide, and that it had failed to remove all doubt.

THE Caledonian American proposes to retire from Chicago when the agencies of Moore & Janes and Lyman & Herrick are consolidated. It is now represented by the latter company, and the Caledonian, the parent company, has placed its Chicago agency, recently given up by Critchell, Miller, Whitney & Barbour, with Moore, Janes, Lyman & Herrick. It was not desirable to have both companies in the same office and so no agent for the tender will be appointed.

THE expected suit of the insurance superintendent of Illinois against the Commercial insurance company of Indianapolis to test the right of a State insurance department to enforce a penalty against an unlicensed company of another State through the courts of that State, was begun at Indianapolis November 14. The suit is to recover on a judgment found in Illinois for $5,000 for violation of the Illinois insurance laws.

THE president of the National Association of Insurance Commissioners, State Auditor W. H. Hart, of Indiana, announces the following committee to prepare uniform blanks to be used by fire and life insurance companies in making reports: F. A. Cutting, Massachusetts; H. D. Appleton, New York; Elmer H. Dearth, Minnesota; C. W. Ferguson, Maine; A. J. Vorys, Ohio; T. H. Wagner, Missouri, and J. J. Brinkerhoff, Illinois.

A BILL has been brought in chancery in Vermont by the Metropolitan Life asking the State Treasurer to turn over to it the $100,000 deposited in the State Treasury several years ago by the Vermont Life, which the New York company has since absorbed by purchase. As the Metropolitan Life has $100,000 on deposit in New York for the protection of its policy-holders, the Vermont deposit seems superfluous.

AT Cincinnati on Saturday Judge Thompson of the United States District Court overruled the motion of W. W. Thomas for a new trial in the case of the Imperial insurance company, in which Thomas was defendant. Last month the company obtained a verdict of $2,894.66 against Thomas on the ground that he had collected money on a policy voidable in case of fraud.

THE Hillmon case was brought briefly to notice in the United States Supreme Court at Washington on Monday on a motion by counsel for the Connecticut Mutual Life insurance company, concerning the filing of the record in the case. The record covers more than 2,000 printed pages. The amount involved is $11,064.

IT is learned that the Caledonian reinsurance deal does include a little of Indiana and Illinois after all. One agency in each State was given up to the Phenix of Brooklyn, those at New Albany, Ind., and Cairo, Ill., each because of its nearness to Kentucky, so that it could be handled best from there.

THE Connecticut State Association of Local Fire Insurance Agents held its annual meeting in New Haven on Thursday, and there was a banquet in the evening, at which the principal speaker was President Arnold of the Equitable Fire and Marine of Providence.

THE Bankers' Union of the World is absorbing decadent fraternal orders at the rate of about one a week. This week it has taken in the Order of the Iron Chain, a three year old from Winnebago City, Minn., with 3,000 members.

THE Union Mutual Accident and Health Association of Madison, Wis., has combined with the Northwestern Accident and Benefit Association of Oshkosh, with headquarters at the latter place.

THE New England Insurance Exchange last Saturday adopted the form of policy for telephone exchanges which was printed in our issue of November 9.

THE city of Talladega, Ala., has raised the license fee for fire insurance companies from $10.25 to $25 per company.

THE Missouri business of the United Firemen's has been reinsured by the New York Underwriters' Agency.

THE Caledonian has withdrawn from the Western Factory Insurance Association.

Personal

AGENCY APPOINTMENTS.

Ætna of Hartford: Charles H. Pescay, special agent for Mississippi and Louisiana.

Ætna, of Hartford: Edward S. Allen, inspector for Maryland, Virginia, West Virginia, North Carolina and South Carolina, assisting Special Agent Middleton in those States, with headquarters at Richmond, Va.

Caledonian: Moore, Janes, Lyman & Herrick, sole agents for Chicago and Cook County, Ill.

Glens Falls: C. M. Nichols & Co., Chicago, additional agency.

Liverpool and London and Globe: J. M. Hilton, of Chicago, special agent in the Western department.

Manhattan Life: James S. Gittings, of Baltimore, general agent for Maryland.

Mutual Life: Freeman D. Bewley becomes general agent at Buffalo, N. Y., on January 1.

National Fire of Hartford: Loring W. Puffer & Co., Brockton, Mass.

National Union of Pittsburgh: Walter Garland, of Baltimore, general agent for Maryland.

Niagara Fire: Robert M. Friend, of Atlanta, Ga., special agent, having resigned the special agency of the London Assurance Corporation.

Ocean Accident and Guarantee: E. M. Duvant, of Atlanta, and Frank M. Butt, of Augusta, general agents for Georgia and South Carolina.

Phenix of Brooklyn: F. M. Mikell, formerly with the Lancashire, special agent in the Southern department.

Philadelphia Underwriters: J. M. Waller, special agent for Virginia, Maryland and the District of Columbia.

Rochester German: J. Ramsay Barry & Co., of Baltimore, general agents, succeeding E. B. Du Vall & Co.

Royal: Charles L. Crane & Co., St. Louis, Mo.

Royal: F. E. Knauft & Co., St. Paul, Minn., succeeding D. R. Elder.

Security Mutual of Binghamton: M. G. Nichols, of Barre, manager for Vermont.

State Fire of Liverpool: A. Roszel Cathcart & Co., of Baltimore, general agents for Maryland.

Sun Fire Office: Robert E. Knapp & Co., New Bedford, Mass.

Messrs. Owen & Frazer have been appointed general agents of the Massachusetts Mutual Life for Texas, with headquarters at Dallas. Mr. Owen has been with the Mutual Benefit Life for ten years, most of the time as superintendent of agents in Tennessee, while Mr. Frazer has been inspector for the Equitable Life in Arkansas.

Mr. Judson T. McCull has resigned the presidency of the Lawyers Title and Guaranty insurance company of Washington, D. C., and will be succeeded by Vice-President George E. Hamilton.

Mr. George E. Herrick, of Milwaukee, general agent of the Caledonian for Wisconsin, Minnesota, Iowa and Nebraska, will discontinue his connection on January 1, but will continue field work.

Messrs. Starkweather & Shepley, of Providence, R. I., have been appointed attorneys in the United States for La Paternelle, of Paris, which will take surplus lines.

Mr. Miles Menander Dawson's lectures on "The Development of Insurance Mathematics" have been published in pamphlet form by the *Insurance Press*.

Insurance Legislation.

Complete copies of all important bills in the legislatures affecting insurance are on file in the office of THE WEEKLY UNDERWRITER.

Georgia.

ATLANTA, Ga., November 17.—Remonstrances against the passage of the Wright bill to raise the tax on insurance companies and the Miller reinsurance bill are beginning to come in and they indicate that a stiff fight will be made on behalf of the business interests to defeat them. A special meeting was held by the Chamber of Commerce of Macon yesterday to consider the bills, and after they had been explained by President George A. Smith and others, the following preambles and resolution were unanimously adopted:

Whereas, Our attention has been called to a bill introduced in the Legislature of this State, now in session, by Hon. Seaborn Wright of Floyd County, known as House Bill No. 645, having as its object the increase of the rate of taxation of all fire insurance companies doing business in this State, and believing that the fire insurance companies are now paying their full proportion of taxes to the State and municipalities, amounting to nearly 4 per cent. of their receipts from this State, and that, should the bill become a law, the rate of taxation on insurance companies would become burdensome on the companies and would, in the end, have to be paid by the insuring public by an increased rate of insurance, and knowing that this State now enjoys the lowest average rate per hundred dollars of any of ten Southern States, we wish to avoid any action tending to increase this average rate; and

Whereas, The records of Comptroller-General Wright show the losses of all companies doing business in this State for the past seven years to have been $10,143,830, or over 65 per cent. of the premiums received during that time in the State, so that, after paying 35 per cent. for expenses, which includes agents' commissions, taxes, licenses, etc., there has been a real loss to the companies; and

Whereas, Our attention has also been called to House Bill No. 524, introduced by Hon. B. S. Miller, of Muscogee, and which, if passed, would prohibit any fire insurance company authorized to do business in this State from reinsuring the whole or any part of any risk assumed in a company not authorized to do business in this State, thereby cutting down the writing capacity of the companies which are regularly authorized, and as this would work a hardship on many large insurers, inasmuch as they could not in many cases obtain sufficient insurance in regularly authorized companies to protect their property,

It Is Resolved, in view of these facts, That this body, representing the commercial interests of this community, does hereby express its disapproval of the above measures as being inimical to the interests of the citizens of this State, and that the representatives and senator from this county and district be urged to use their influence for the defeat of these measures, and that a copy of these resolutions be immediately forwarded to our Senator, the Hon. Roland Ellis, and our representatives, Messrs. Joseph H. Hall, T. S. Felder and L. J. Kilbourne.

Comptroller-General Wright in his annual report makes the following reference to insurance matters:

I desire to again renew my recommendation that all non-resident co-operative or assessment life insurance companies be required to make a deposit with the State of not less than $25,000 for the protection of their policy-holders in Georgia, many of these companies having only nominal invested assets which could be reached by a policy-holder holding a judgment against them. In the case of Georgia companies of this class, I would also suggest that before they be allowed to do business they be required to deposit as a guaranty fund not less than twenty-five thousand dollars ($25,000), said fund to remain in the custody of the State for the protection of their policy-holders until their cash or invested assets amount to said sum.

The act of December 18, 1893, authorizing the incorporation of mutual or co-operative fire insurance companies should be repealed. Experience has demonstrated the absolute unwisdom of this law. Every company organized in Georgia under this act, after doing business for a few months, has failed and been wound up by the courts, which was soon done, as the companies were found to be without assets, and of course, in every case some of our citizens suffered.

Massachusetts.

BOSTON, November 21.—The new codification of the statutes was enacted in the House and Senate this afternoon and was then promptly signed by the Governor. There was no new insurance legislation whatever. In the new codification all insurance law that is not of the fraternal or assessment variety is comprised in Chapter 118, that relating to fraternalism in Chapter 119 and that relating to assessmentism of the non-fraternal kind in Chapter 120. The fire marshal law forms a part of Chapter 32.

Insurance in the Courts.

What Constitutes Waiver of Forfeiture to Pay Premium When Due.

The Appellate Court of the Second Division of Illinois has rendered an opinion in the case of the Ætna Life insurance company versus Mary S. Sanford, appeal from the Grundy County Circuit Court, which involves a number of interesting points in

reference to lapsing of the policy for non-payment of premium and extension of time by agents within which a premium may be paid. The facts in the case were that Edward Sanford, an attorney residing at Morris, Ill., held several policies of life insurance in the Ætna company, on one of which, for $5,000, taken out in 1876, he had paid a premium of $132.10 on each February 10 for twenty-three years. In December, 1899, he went on a trip to Mexico, leaving his son Frank in his office. On January 31, 1900, Frank Sanford received, through the mail, a notice from the Chicago managers for the company, Ira J. Mason & Son, addressed to his father, notifying the latter that the premium on his policy would be due on the following February 10, 1900.

On February 5 Frank Sanford replied to the letter, saying that his father was absent in Mexico and would not return until March 1, that he had left no orders for the payment of the premium, in fact had said nothing on the subject, that he could not now be reached in time, and asking the managers if the payment could not be delayed until the elder Sanford returned, and what were the company's rules in regard to a case like this. To this letter Messrs. Ira J. Mason & Son replied as follows on February 8:

We inclose herewith a note for an extension of sixty days on the premium under policies Nos. 113,514 and 26,071—E. Sanford. We suggest that you sign these notes for E. Sanford, and in the meantime you can communicate with him and learn what his wishes are.

With this was inclosed an unsigned note for $128.48 premium and $1.28 interest, total $129.76, payable on or before April 10, 1900, to Ira J. Mason & Son, as agents of the insurance company, which recited it was given to extend the time of payment of renewal premium on policy No. 26,071, and that if not paid when due there would be no further extension, and said policy should then cease and determine, and should be treated as if this conditional note and extension had not been given.

This letter and inclosure were received by Frank Sanford February 9. He had an elder brother, Edward H. Sanford, an attorney, of Chicago, from whom he expected a visit and delayed replying until he could consult him. The brother arrived on the evening of February 10, and then Frank wrote the following letter to the company:

Herewith inclosed please find note, properly stamped, the $129.75 due on or before April 10, 1900, payable to the order of Ira J. Mason & Son, your agents, which I have signed for my father, E. Sanford, and also myself, according to directions in your favor of February 8, receipt of which I have acknowledged previously, given to extend payment of premiums under policy 26,071.

Frank intrusted this letter to his brother, who on his return to Chicago on the following Monday, February 12, deposited it in a mail box in that city. Ira J. Mason & Son testified that they never received it.

The insured returned to his home February 27 and was taken ill with pneumonia March 8. He dictated a letter to the Masons March 10, stating that on his return from Mexico he found that his premium was unpaid, but that they had kindly extended payment for sixty days. Thanking them for their courtesy he inclosed his check for $130 to meet the obligation. A letter from the Messrs. Mason crossed this, being written March 10, in which they said: "If you wish to revive policy No. 26,071, which lapsed thirty days since for non-payment of premium, please sign and return inclosed form No. 22, with premium $128.48, within thirty days." Form 22 recited that the policy in question had lapsed for non-payment of premium due February 10, and certified that the signer was in good health, and that there was nothing in his condition likely to impair his health or shorten his life, and he thereby agreed that if this representation proved untrue in any respect the policy should be treated as not having been revived.

On March 12 the Messrs. Mason acknowledged receipt of the check for $130, and asked for the signature and return of the Form 22. This letter was repeated March 17. Mr. Sanford, however, had grown continuously worse and died March 18. Notification of death was sent the managers March 22, and proof of the same March 30. Mason & Son meanwhile communicated with the home office and retained check until March 28, when it was returned to the Sanfords with the remarks: "We held this check that you might send us Form 22, which we waited for, but did not receive. The company wishes us to write you that it will recognize this policy as good for $2,680, the amount of the paid up policy, which would have been issued had it been applied for."

The tender of $2,680 was declined, and the money was deposited in court by the company. Suit was brought and the plaintiff recovered in the Circuit Court $4,924.32, and had judgment thereon from which the company appealed. After the hearing by the Appellate Court the following opinion by Dibell, P. J., was given:

The letter written by Frank Sanford to the company on February 5 was dated at Morris, Ill., and on his father's letterhead. It informed the company his father was in Mexico and could not be reached and a reply returned in time to act by February 10. It showed that the writer desired to be informed whether it was necessary the premium falling due February 10 should be paid on that date, or if it could wait until Sanford returned and then be paid, and what the rules of the company on that subject were. It indicated that the writer desired and intended to do whatever was necessary, but wished to leave till his father's return whatever could be so left without infringing the company's rules.

It is not necessary to decide whether Mason & Son were bound to answer this letter. They did answer it, and they were bound to convey true information and not in any way to mislead Frank or withhold some part of the necessary information. He had a right to rely upon their letter. In their reply Mason & Son enclosed a note for an extension of the premium for sixty days, and suggested that Frank sign it for his father, "and in the meantime you can communicate with him and learn what his wishes are." This letter was written February 8, and liable to be received, as it was, on February 9. These agents did not tell Frank that unless the note was signed and returned to them, or the cash paid, by the 10th, the policy would become forfeited. Frank's letter to them showed them that he was ignorant of the rules governing that subject, and applied to them for information. He would naturally understand they were making a full answer to his letter, or as full an answer as was necessary for his correct guidance.

If they had said to him the cash or this note duly signed must reach them February 10 or the policy would be forfeited, it is a fair inference he would have done what was necessary to keep the policy alive. They told him only to sign the note for his father, and then during the sixty days thus provided communicate with his father and ascertain whether or not he wished to pay the premium and keep the policy alive. The letter told Frank his father would have sixty days in which to make that determination. Mason & Son dated the note February 10. It cannot be assumed they intended Frank should sign it before that date. He did sign it on that date, and caused it to be mailed in time to reach the agents during business hours of the next business day. The letter left it uncertain whether Mason & Son desired Frank to sign his father's name to the note or his own. It was natural that he should doubt whether he had a right to sign his father's name, and should wish to consult his older brother on the subject before acting. While Mason & Son probably meant he should send the note to them before communicating with his father, their letter did not say so, and was uncertain in that respect.

Their letter clearly implied that the note was not to be paid if his father desired to let the insurance lapse, and left it uncertain whether he was expected to send in the note before his father had ratified his act in signing it. Mason testified he knew Sanford's financial circumstances were good, and he no doubt felt entirely sure that when Sanford returned or was reached he would not allow a policy to lapse upon which he had paid premiums for twenty-three years, aggregating over $3,000.

It is within the power of an insurance company to waive such a provision as that here relied upon, and this may be by its course of dealing with the insured. (Chicago Life Insurance Company vs. Warner. 80 Ill. 410.) In Metropolitan Ac-

cident Association vs. Windover, 137 Ill. 417, the court said: "It cannot be doubted that while, by the express terms of the defendant's by-laws, the consequences of a failure to pay an assessment within thirty days after notice was a forfeiture of all claims the member might have against the defendant by reason of his certificate, the forfeiture thus provided for was one which the defendant was at liberty to waive, and that such forfeiture, after being once waived, was incapable of assertion by the defendant. A forfeiture of this character is a matter of strict legal right, and the defendant, in order to assert it, must abide inflexibly by the terms of its contract." Johnson vs. Southern Life Insurance Company, 79 Ky. 403.

"It follows that conduct on the part of the association inconsistent with an intention to abide by the strict terms of the contract and insist upon a forfeiture, if not amounting to a waiver, is at least evidence of a waiver." We are of opinion that by what was said by Mason & Son in their letter of February 8, and by their omission to state therein that forfeiture would follow a failure to pay or send the note by February 10, they granted an extension of sixty days and waived their right to forfeit the policy. After a reasonable time in which to ascertain whether the letter meant he should sign his own name for his father or should sign his father's name, he did both, and mailed the letter to the agents, so that it should reach them during the next business day.

We regard it as immaterial whether the note, in fact, reached the office of Mason & Son or miscarried in the mails. The agents did not intend the note should be enforceable if Sanford did not ratify it. The signing of Sanford's name to the note without his authority was a mere matter of form. The substantial matter was that the time should be extended sixty days, so that Sanford might be notified and his wishes ascertained and carried out. The purpose obviously was that Sanford should be notified his name had been signed to a note for the premium without his authority, and that he could either ratify the act and pay the note within the sixty days or could repudiate it and let the policy lapse, and take a paid-up policy for the surrender value, if he preferred. Having granted an extension of sixty days, the company could not, a month later, demand the execution of Form 22, which required Sanford to admit thereby that the policy had already lapsed, and to certify that he was still in good health, as a condition to permitting the policy to remain in force during the sixty days.

On March 10 Sanford remitted Mason a check for $130, thanking him for the extension of payment for sixty days, and saying he did not know the exact amount required and presumed there would be some interest to be added, and requesting if the remittance was not sufficient to inform him immediately and he would remit, and saying if it was too much they could credit the balance due on the policy or return the surplus to him, as they saw fit. This was a ratification of the note and of the extension, and an election to treat that policy as still in force. In reply to this Mason & Son did not deny his statement that they had extended the policy for sixty days, but called upon him again for the execution of Form 22, to which we are of opinion they were not entitled. They did not object to payment by check, nor did they present the check to the Chicago bank on which it was drawn for payment. They retained the check not only till Sanford's death on March 18, but for ten days thereafter, and finally returned it on March 28, eighteen days after it was sent.

We are of opinion Sanford had the right to pay the required amount at the time he sent the check, and, as the check was sufficient to cover the amount due, their retention of it beyond a reasonable time for its return or its presentation for payment precluded them from afterward asserting a forfeiture. By the check Sanford assigned $130 of his funds in said bank to the company to pay said premium and interest thereon, and the company's agents retained the benefit of that assignment for eighteen days. It is a fair inference they would have cashed the check if Sanford had recovered. The retention of the check is strong proof that they had not decided to enforce a forfeiture even for some days after Sanford's death.

If there was any inaccuracy in the court's modification of the seventh instruction offered by defendant so as to state it was a sufficient delivery of the note if it was delivered by the maker to some person for transmission to the payee, we regard it as immaterial and harmless. The note having been signed as directed by defendant's agents, and an attempt having been made to deliver it to them, the policy would not be avoided by failure to make a legal or sufficient delivery, in view of the fact that the agents did not instruct Frank to send the note to them, but left it an open question whether they did not intend he should retain it till his father ratified it. We find no reversible error in the rulings of the court. The proofs made a case for plaintiff.

The judgment is therefore affirmed.

Miscellany.

The Present Tendency of Legislation in the United States.

The address of President Edmund Wetmore before the American Bar Association at its annual meeting at Denver this year has just been printed in full in pamphlet form. Its references to modern legislation are conceived in a judicial spirit, and our readers will thank us for the extracts we make for republication. The tone and style are admirable:

A survey of the legislation of the year leads, with most commentators, to a lament over its faults and deficiencies, and to the utterance of a note of warning, pitched almost in the key of despair, over the evils that loom up, as sure to come, unless its present tendencies are checked. It has been the habit, among writers, both those of our own profession and those who were mere students of politics or sociology, to dwell so exclusively upon the shortcomings and failures of our system of legislation that they have lost sight of much there is in it that is useful, good and admirable. The defects are palpable enough. They are, chiefly:

First, Over-legislation—Not only in the endless multiplication of laws, until what all are assumed, under penalty of ignorance, constructively to know, no one actually knows, or, within the ordinary span of life, ever can know; but, also, in the excessive extension of state supervision, transferring to the Government that which can be better done by private agency; in curtailing individual action; in meddlesome legislation; in class legislation, calculated to favor idleness and incapacity at the expense of industry and ability, and in most of that which goes under the vague appellation of socialism.

Second—It is urged against our legislation, and truly, that it is what has been called opportunist legislation; that it is the offspring of "the empirical school of politicians" who "never look beyond proximate causes and immediate effects"; that it is framed to meet the supposed needs of the hour, without any comprehensive view as to its ultimate effects, and is rude and unscientific.

Most of our bad laws will be found to fall under one or the other of these two broad divisions. Great complaint, it is true, is also brought against our legislation based on the charge that it is dictated by party management, the result of mere puppet action, controlled by known but unseen wires, but this influence seldom affects the character of our general laws. It is directed rather toward the confirmation of appointments, the making of appropriations, or the distribution of public revenue or employment so as best to strengthen party supremacy. The aim of the professional political manager is to secure, or at least not to oppose, the passage of laws that are popular; laws, the enactment of which public opinion clearly demands, or at least that public opinion in the party that has the majority in the Legislature demands. Obedience to that opinion is the condition upon which the party leader holds his place.

Hence, so far as interference by the political manager goes, legislation, as respects general laws, almost invariably reflects correctly what the prevailing party as a whole unmistakably demands, or if the demand comes from the whole community, irrespective of party, none are more careful to comply with that demand than those whose retention of their place depends ultimately upon the voters at the polls. No stronger instance of this need be cited than that, already referred to, of the laws respecting primary elections already passed in several of the States and sure to be passed in others. They are directly aimed at the supremacy of the party manager; they strike, and are intended to strike at the very root of his power. Yet, in every instance, where public opinion was unmistakably in their favor, no party managers have dared, if they wished, to oppose them. The public, therefore, remain responsible for the character of our general laws, which still reflect the wishes and opinions of the majority, without any effective interference from the mere political manager.

The sinister influence of the political "boss," so called, is still however, a controlling force in the selection of candidates, and, hence, the primary laws just mentioned, and, as against the other evil, the evil of the multiplication of laws and hasty legis-

lation, the expedient of biennial sessions and the extension of the referendum as a check upon the legislature have been adopted as the most direct and effective remedies. All of these means for the repression of manifest evils are, to a greater or less degree, effective. They may accomplish something, though not all, and are good, or at all events worthy of earnest trial as far as they go.

But the real causes of those characteristics which we blame in our laws lie beyond the reach of such artificial modes of correction. They are found in our own national character and in the stage of social development we have reached. We feel, in a form modified by the peculiarities of our situation and circumstances, the influence of a wave of so-called socialism that is passing over the civilized world. It is absolutely inevitable that it should find expression in our laws, because our laws reflect the prevailing convictions and desires of the communities to which they apply. Nor is this fact due to any preponderating influence of the ignorant and uneducated, directly or indirectly, upon our law makers. The spirit of socialism is one that is created and fostered as much, or more, from above as from below. It springs, primarily, from the enlargement of the sympathies, the increased desire to relieve suffering and want, the benevolence, the altruistic spirit that evolution and modern conditions have developed among the ever-increasing class of the well to do in an age of increasing wealth and prosperity. The exponents of the extreme doctrines of socialism are found, not among the toiling masses, but among authors and students and theorists. The preachers of the doctrine of discontent may be met among the educated, the intelligent and well intentioned, quite as often as among the self-seekers and the demagogues.

Hence the laws that unduly extend the power of the state, that viciously restrict individual action, that meddle only to mar, are quite as often the result of educated as of uneducated ignorance. The class legislation that is intended to curtail supposed privileges, but which, actually, confers more oppressive privileges upon the class it seeks to relieve, takes its origin less frequently from the direct efforts of those who are expected to benefit by it, than from the zeal of others who have persuaded themselves that the withholding of the supposed benefit is the withholding of a right.

We must accept the fact, then, that if our laws are mistaken, or defective, or unwise in some of their conspicuous general tendencies, it is because public opinion, formed by discussion, made up of a thousand influences and counter-influences, is itself at fault in dealing with the problems it has to solve; it is because the resultant that determines its drift tends to give it wrong direction, and we must look only to the gradual change which continued discussion and experience, that great, silent teacher, will bring about, to correct its course and avoid the evils of which we are now conscious and against which we sound a warning.

And as to the second count brought against our legislation, namely, that it is made to meet present needs with too little appreciation of all its consequences; that it is not framed on scientific principles or as the result of expert study; while it may, indeed, be often defective; while it is the very object of this association to correct and improve it in those respects in which our profession and experience enable us to speak with authority; yet legislating to meet the mischief of to-day, to correct evil as it arises, is the very genius and spirit of the law making of the English speaking race. Blackstone's elementary rule of statutory interpretation recognizes this when it instructs us, first, to consider the mischief and then the remedy which the law was intended to apply. It is the instinct of our blood, to which we largely owe the preservation of our institutions and our form of government, to deal with facts and not theories, not to wander from the case at hand, to do the best we can for the present and not attempt too closely to anticipate the uncertainties of the future.

And the result is our justification. Our legislation may be said to rest upon the homely principle of "cut and try." This may lead to many errors, but under no system are errors, on the whole, more sure to be corrected. Too many laws are a bad thing, impracticable laws are a bad thing, mistaken and foolish laws are a bad thing. But when laws which, for any of these reasons, are bad creep into our statute books, some become obsolete and are swept away by the periodic revision that necessity imposes in all the States, some are corrected by the same means, others are directly repealed or amended when the occasion for doing so becomes apparent. * *

Our system of government and the administration of our laws may not be perfect, but, under them, a great people have enjoyed a degree of liberty, security and happiness that the world has never elsewhere seen since civilization began. We may labor, each according to his opportunities and ability, to make them better, but we do so without losing our belief in their excellence or our faith in their permanency. They embody the wisdom of our forefathers, the experience of ages. We have prospered under them in the past, they have met the conditions of our wonderful growth, and, as that growth expands in new directions, they will be found adequate to meet the conditions of the future.

Distress in England Over the Amalgamations—Cowardly or Incompetent Directors Scored.

(*The Policy-Holder, Manchester, November 6.*)

Some recent and some predicted amalgamations have aroused a very general feeling of dissatisfaction. Insurance men on every hand view them with a feeling of distress chiefly, we doubt not, because each fusion carries with it a narrowing of their prospects, but apart from this, it is felt that these consolidations will ultimately be bad for the business itself. There is a growing feeling with the insuring public that there are not enough offices at the present time. It is not unlikely that some of the officials who are set at liberty by these amalgamations will encourage the idea, and that a number of new companies will come into existence. The competition of the new concerns will be far worse to cope with than was that of the companies which have ceased to exist in recent years.

Amalgamations may be divided into two classes. In one class we must put those which have arisen through offices drifting into a doubtful financial position, as the result of either bad management or an unfortunate experience; and in the other class must be placed the amalgamations which are the direct outcome of the selfishness of certain fire managers, or the weakness of the directors of insurance offices. We believe that few insurance directors take the trouble to master even the rudiments of the business which they are supposed to superintend. Quite recently we attended a shareholders' meeting which was called for the purpose of considering a proposal to amalgamate, and both surprise and amusement were caused when one of the directors of the concern confessed in the course of the discussion that he had never heard that there was such a thing as unexpired liability. And this gentleman had been a member of the board of a fire insurance company turning over hundreds of thousands of pounds per annum!

Our experience of directors is that this gentleman was no exception to the general rule. The directors of British fire offices draw in the aggregate over £250,000 per annum for their services, and while we cannot expect highly trained business and professional men to devote time and attention to the affairs of an insurance office for nothing, we do expect such men to feel that when they accept a seat at the board of an insurance company they incur a serious moral responsibility and it is their duty to acquire some knowledge of the business. It is absurd for them to refer complacently to the fluctuating nature of the business as the unexpected cause of all unfavorable results. Offices which are cleverly managed make money through good times and bad. Look at the London and Lancashire and Commercial Union records for the last twenty years, yet both these concerns were in a far more desperate condition once than any of the companies which have amalgamated in recent years. Success or the reverse is entirely a question of management, and fluctuations are only a part of the business.

There is no doubt that many of the troubles which the fire offices are called upon to face are created by themselves, greed being one of the most fruitful sources of mischief. If we examine the returns of the offices which have gone out of the business on account of their disastrous experience, we shall find that undue haste for big figures has been the cause of the trouble. Shareholders have wanted big dividends. Managers have wanted huge salaries and directors big fees. Short cuts to wealth rarely prove a success, but when an office is in difficulties, why is it that the only course which is followed is to sell the goodwill of the concern? In no single instance can we remember an office making a call upon its shareholders and making a determined effort to stem the tide of its misfortunes. For managers amalgamation usually affords a golden solution to all the difficulties, and directors seem to lack the moral courage to adopt any other course. Their fears and ignorance are played upon to such an extent that they allow what is probably an old and untarnished name to disappear in quite a light-hearted manner.

We may mention, by the by, that the company which purchases a business usually makes some arrangement whereby the board and chief officials are recompensed for the loss of fees and salary. As a typical instance of this, we may mention that the directors of the Globe Accident were paid five years' fees in a lump sum when that company was taken over by the Commercial Union, and, of course, our readers know the origin of the term "Rumfordizing." For the rank and file of the staff the amalgamation of a company means a serious impairment of their prospects, if not something like their ruin. When a man has spent something over twenty years in the service of a particular office it is impossible for him to view, except with feelings of distress, its absorbtion by some more vigorous concern. But the selling of a company which has got into difficulties is not the worst feature of modern amalgamations. Amalgamations are being brought about and talked of which are absolutely unnecessary. Two concerns are acting useful parts. The manager of one is getting old and would like to retire; he suggests to his brother manager that, combined, the business of the two offices would prove a great success. He will play into his friend's hands and accept a payment on results. Judiciously the fears of the directors are played upon. They are taught that no one can fill the gap which the retirement of the tired manager will create; their fees will be all right, and they will be relieved of all responsibility, and the next thing is an amalgamation which ought never to have been brought about.

Men capable of managing insurance offices are as plentiful to-day as at any previous period in the history of the business, yet directors seem to be unable to realize this. We suppose it is only human for insurance men to "play for their own hands," but directors should be more alive to their responsibilities. If directors would take the trouble to look around they would have no difficulty in finding men who are capable of filling the chief positions in insurance offices. We go a step further and say it is their duty to know where such men are to be found, even though there is no immediate prospect of such knowledge proving beneficial.

The Father of the Skyscraper.

The elevator made the great building commonly known as the "skyscraper" possible for modern business uses. Two things had to be provided for in creating the business section of a great city like New York or Chicago—concentration and plenty of room. This joining together of two things apparently opposite could only be accomplished by limiting the business section, and extending the buildings into the air. The elevator was the only instrument by which this end could be gained. Its development is one of the best illustrations of the adage, "Necessity is the mother of invention." It has revolutionized the architecture of our large cities. Without it, the New York city of to-day, built upon a long, narrow peninsula, with no possibility of extension, except in one direction, would be practically impossible. Human ingenuity never grappled with a greater problem or solved it more thoroughly. It was necessary to have an elevator, just as it was inevitable that great cities would extend into the air; and the system of elevators in a twenty-story business building, which has the same effect on a city's welfare as the trains and trolleys that carry the people from their homes into the realm of the office buildings, is the solution. It was in 1884 that the running cable first came before the building public, and since that time the most substantial development in elevator perfection has taken place.—*Success.*

Reprinting the above from a contemporary, the *Equitable News* says:

It is true that the skyscraper is an outgrowth—or upgrowth—of the elevator. But we must go back of 1884 to get at the root of the matter. Henry Baldwin Hyde may be said to have been the father of skyscrapers, although he never built one. He was, however, the projector of the Equitable Building, which was for many years the highest office structure in New York. To facilitate the renting of the upper stories of this high building Mr. Hyde conceived the idea of utilizing the elevator. Up to that time passenger elevators had only been used in hotels and in A. T. Stewart's department store. There was not a single passenger elevator in any office building in the world until 1870, and prior to that year no prominent business firms ever thought of occupying offices above the second or third floor in any building.

President Hyde, in one of his reports to the board of directors of the Equitable Society, said:

The Equitable Building was finished on the 1st of May, 1870. The introduction of passenger elevators for the first time in a building devoted to offices gave great impetus to the renting, and the surplus portion of the building was completely occupied by the 1st of July in that year. It is a very singular fact that at the time the first Equitable Building was approaching completion there was not a single elevator in New York in a building devoted exclusively to office purposes. All the members of the building committee, except myself, were opposed to the introduction of elevators, but finally consented to have *one* erected. It required quite a struggle on my part to obtain their consent to put *two* in the building.

Before the structure was completed several additional elevators were provided for. At the present time there are twelve passenger elevators in the Equitable Building.

At first real estate experts ridiculed Mr. Hyde's scheme, and they were filled with astonishment when they saw the upper floors of the Equitable Building occupied by the most prominent lawyers and business men of the city. Chicago was the first city to carry forward the idea suggested by Mr. Hyde's object lesson, and the skyscrapers of New York and of other American cities followed.

Answer of Insurance Commissioner Cutting in the Provident Savings Life Case.

An answer to the petition of the Provident Savings Life Assurance Society for a writ of mandamus to compel Insurance Commissioner Cutting of Massachusetts to value its renewable term policies according to their terms, has been filed in the Supreme Judicial Court of Massachusetts, at Boston, by Frederick H. Nash, Assistant Attorney-General of the State, acting as solicitor for the commissioner. The respondent claims in substance that the petition does not give any sufficient or legal reason why a writ of mandamus should issue against him, nor does it impute to him a lack of good faith in the acts and doings complained of, and that therefore said acts are not subject to revision by the court.

He further states in his answer that he has made the net valuation of the company's policies, as required by law, and that a valuation otherwise made would be illegal. The respondent further claims that the petitioner attempted to diminish its liabilities by charging against its preliminary one year term policies a reserve of less than their net value, and that such reserve in the statement of the petitioner showing its condition on December 31, 1900, should have been $513,282, instead of $269,105, the reserve charged against said policies by the petitioner. The respondent further claims that the question of determining the manner of a policy and the method of valuation is an actuarial question and not a question of law. He says:

And the respondent says whether a policy is of the one sort or the other, and is to be valued according to his method or according to the method urged by the petitioner, is a question of actuarial science upon which actuaries are not agreed, and is not a question of law, and that the decision thereof by the respondent in good faith, and according to his judgment and discretion, is not subject to revision by this honorable court.

And the respondent says that the true aggregate net value of all the outstanding policies of the petitioner is not $3,236,560, as exhibited in said annual statement and urged in the petition, but is $2,991,494; and he says that he computed the reserve liability of the petitioner upon all contracts of insurance correctly and lawfully, and especially that his computation thereof is in accordance with the rules prescribed by Statutes of 1900, Chapter 363, Section 1.

The respondent further says that the petitioner in said annual statement claimed that the respondent should allow as assets to the amount of $558,491 under the title "Premium Notes on Policies in Force" certain agreements between the petitioner and its policy-holders, a specimen of which is hereto annexed and marked "Z," whereby said policy-holders agree that sums aggregating $558,491 shall be liens upon the policies and may, in the event of their death, be deducted from the face values thereof. But said liens merely reduce the amount of each policy from its inception and do not diminish the liabilities of the petitioner and are not assets; therefore the respondent refused to allow said liens as assets.

It is further averred in the answer, regarding the special deposits in Canada and in the State of Virginia made by the petitioner and aggregating $157,610, that the company's claim that this sum should be allowed as an asset was refused by the respondent, who credited said amount in set-off to the amount charged against the company as its liability to its policy-holders in Canada and Virginia respectively.

The answer closes with the affirmation that the respondent denies all allegations of the petition not denied or admitted by

respondent and the prayer that the petition for a writ of mandamus may be dismissed with costs.

The filing of a demurrer to the commissioner's answer is the next step that the Provident Savings Life is expected to take in this matter.

Withdrawal of the Mutual Reserve Fund Life Association from Tennessee and Statement of Its Reasons for So Doing.

The following communication has been sent by the Mutual Reserve Fund Life Association to the Insurance Commissioner of Tennessee:

MUTUAL RESERVE FUND LIFE ASSOCIATION,
NEW YORK, November 14, 1901.

Hon. Reau E. Folk, Insurance Commissioner, Nashville, Tenn.:

DEAR SIR—We beg to acknowledge receipt of your favor of the 11th inst., in which you refer to the statements and agreements contained in our letter of October 29, forwarded to you through our attorney, Hon. Thomas B. Turley. These statements and agreements in brief are:

First—That no lapses have been declared on account of the reserve deficiency assessment.

Second—That subject to the provisions of the constitution or by-laws lapsed members have right of reinstatement at any time within one year.

Third—That the privilege of exchanging form of policy is accorded fifteen year members—a privilege repeatedly extended to them during the past two years.

Fourth—That there has been no discrimination between members.

Beyond this we have expressed our willingness that your department should co-operate with that of New York when the latter shall again examine the association, subject, of course, to the pleasure of that department, over whose acts we disclaim all control.

In addition we have instructed our attorney not to remove the Carpenter case to the Federal courts.

In your letter, the receipt of which is above acknowledged, you refer to this latter case as one "involving the question of your (our) acts in transition from assessment to a legal reserve basis" and to our refraining from transferring the case to the Federal courts as an agreement that this question shall "have final adjudication in the State courts."

Simultaneously with this letter come journals published in your State with the prominent declaration that the Carpenter case "will remain in the State Court and the company will abide by the decision of this case, which covers all questions involved." We can but conclude, in the light of your letter and because of the evident source of the statement in the journals, that this is an expression of your interpretation of the matter. Against this conclusion, however, stands the fact that early in the discussion of this matter, the submission of certain questions in connection with the reserve deficiency assessment to final adjudication by the Tennessee courts was asked by you and declined by the association, which has never authorized assent in its behalf to such an agreement. Much less has it ever consented or for one moment considered the matter of submitting to the Tennessee courts "the question of your (our) acts in transition from assessment to a legal reserve basis"; and still less an agreement that such a decision should bar us from submitting such question to other judicial tribunals.

In the first place the association has not changed its basis from the assessment to the legal reserve plan. It is an assessment company, incorporated under the laws of the State of New York, amenable to those laws and subject to the courts of that State. If its members decide to exercise their right, as members of a New York corporation, to change from the assessment to the legal reserve plan of business, such change must be made under and in accordance with the laws of the State of New York therefor provided, and the acts performed in such transition come within the purview and jurisdiction of our New York courts and no stipulation or agreement entered into by the management of the association would or could remove them therefrom.

You will not, of course, for one moment claim that a decision of the courts of Tennessee sustaining the acts done in such transition—even if they could be submitted to the courts in advance of their taking place—would be binding upon a member of the association or would bar him from resort to any court in which he has rights. No agreement or stipulation of the management of this association could deprive him of his rights.

But no decision can be rendered in these matters by your courts or by the courts of any State or country that will not affect every member of the association. The rights of one member are as sacred as the rights of another. The acts which have been performed—though not acts of transition from the one basis to another—have been performed in the interests of all the members, and had they not been performed, there would have resulted discrimination against a large mass of members and in favor and unjust preferment of that lesser number of members who are now complaining.

As surely as it is beyond the power of the management of this association to enter into a binding stipulation that a decision of your courts sustaining the association in its acts in the Carpenter case should deprive all members, similarly situated, of their rights in other courts, so surely is it beyond the power of the management to enter into a stipulation that a decision of your courts adverse to the acts of the association in the Carpenter case should deprive that much larger mass of members, not similarly situated, of their rights to seek redress in other courts for the discrimination to which each of them would be exposed if such a decision was accepted as binding upon the association in closing to it the doors of all other courts.

You are asking the management to stipulate away the rights of every member of the association. You are asking a corporation created by the laws of New York to stipulate away the jurisdiction of the courts of that State over its acts of internal management. You are asking that 80,000 members, possessed of rights in courts of fifty or more separate jurisdictions, shall have their rights determined and unalterably fixed by the adjudication of a single court in the case of a single member. It requires no more than the statement of the demand to show that it is one to which this management has neither the moral nor legal right to assent.

Under these circumstances there is but one alternative left the association in the face of requirements with which no institution could comply, and I, therefore, hereby notify you that the Mutual Reserve Fund Life Association of New York herewith withdraws from and surrenders its license to do business in the State of Tennessee, and that from this date it withdraws from said State its agents, collectors and other representatives and ceases to do business therein. Very truly yours,

GEORGE D. ELDRIDGE, Vice-President.

Scheduled Risks to Go to a New Committee of the New England Insurance Exchange.

AN important report was presented to the New England Insurance Exchange last Saturday by its executive committee, recommending the formation of a new committee, to be known as the Scheduled Risks Committee. The recommendation, which is on the calendar of next Saturday's meeting for action, reads as follows:

The executive committee recommend the appointment of a new committee, to be known as the "Scheduled Risks Committee," which shall consist of a general chairman and twenty (20) members, the members to be subdivided as follows: Maine, 3; Vermont, 3; Eastern Massachusetts (east of Worcester County), 4; Western Massachusetts (Worcester County and West), 4; Rhode Island, 2; Connecticut, 4.

All classes of risks which the Exchange has ordered to be rated on schedules, except those under jurisdiction of the electrical hazards committee, shall be under the jurisdiction of the scheduled risks committee.

The meetings of the committee shall be at such time and place as may be determined by the committee, and shall be open to all members of the Exchange.

The secretary of the Exchange shall be the secretary of this committee, and shall preserve in proper form a full list of risks under the jurisdiction of this committee. Such list shall be open to every member of the Exchange.

Seven (7) members shall constitute a quorum at any meeting.

Applications for consideration of a risk must be in duplicate,

and signed either by the assured, or the agents or brokers controlling the insurance.

NOTE.—When signed by the assured the application must state the names of all agents or brokers by whom the insurance is placed. When signed by the agent or broker it must be signed by all agents or brokers controlling the insurance on the risk, both building and contents, and if not so signed, it must state the names of all such agents or brokers.

All applications shall be referred to the secretary of the New England Insurance Exchange, who shall file the original with the records of the office, and bring the duplicate before the members at their next meeting, when it shall be referred to the member next in order of the sub-committee having jurisdiction, except that as far as possible, in the case of resurveys, application shall be referred to a member of the sub-committee making the last inspection.

No applications for requirements and rates shall be considered unless they have first been sent to the secretary of the New England Insurance Exchange, and properly assigned at a regular meeting of the committee.

All agents named in any application as interested in the risk shall be notified by the secretary when the application is received.

No action shall be recorded on any risk, or rate sent out, until the report of the committee is on file with the secretary.

No rate shall be promulgated until approved by the committee at a regularly called meeting.

Reports on applications shall be filed within thirty (30) days from the receipt of the application.

No rates shall be dated back more than one month previous to date of promulgation. Any exceptions to this rule must be submitted to the committee for consideration, and a vote of three-quarters of the members present when such exception is acted upon shall be necessary for approval.

All rules of the Exchange inconsistent with the above are hereby rescinded, and the following committees are hereby discharged: Boot and shoe factory, cotton and woolen mills, paper, pulp and leather board mills, straw factory.

1850. THE 1901

United States Life Ins. Co.

IN THE CITY OF NEW YORK.

GEORGE H. BURFORD, President.

FINANCE COMMITTEE.

GEO. G. WILLIAMS, . . . *President Chemical National Bank*
JOHN J. TUCKER, ... *Builder*
E. H. PERKINS, JR., *President Importers' and Traders' National Bank*
JAMES R. PLUM, ... *Leather*

Active and successful Agents who desire to make Direct Contracts with this well-established and progressive Company, thereby securing for themselves not only an immediate return for their work, but also an increasing annual income commensurate with their success, are invited to communicate with RICHARD E. COCHRAN, 3d Vice-President, at the Company's Office, 277 Broadway, New York City.

Assets over $8,000,000. **Insurance in Force, over $40,000,000**

THE STANDARD LIFE AND ACCIDENT INSURANCE COMPANY OF DETROIT, MICH. INCORPORATED 1884

LIABILITY, PERSONAL ACCIDENT AND SICKNESS INSURANCE

D. M. FERRY, PRESIDENT.
E. A. LEONARD, SECRETARY.
W. C. MAYBURY, MNG. DIRECTOR.

CASH CAPITAL, $250,000.00

Established 1782.

Phœnix Assurance Company,

OF LONDON.

FIRE INSURANCE ONLY. LOSSES PAID OVER $100,000,000.

Head Office for the United States, 37 Liberty St., N. Y.

A. D. IRVING, Manager. E. B CLARK, Asst. Manager.
LOUIS P. BAYARD, 2d Asst. Manager.

INCORPORATED 1851.

The Berkshire Life Insurance Co.

OF PITTSFIELD, Mass.

All Policies issued by the Company are subject to the Massachusetts Non-Forfeiture Law.

WM. R. PLUNKETT, President.

JAS. M. BARKER, Vice-Pres. JAS. W. HULL, Sec'y and Treas.

Agencies in all the principal cities of the United States.

The Mutual Benefit Life Insurance Co.

NEWARK, N. J.

AMZI DODD, - - PRESIDENT.

ASSETS (Market Values) Jan. 1, 1901.....$74,311,468.25
LIABILITIES, N. J. and N. Y. Standard..... 68,186,103.34
SURPLUS..... 6,125,364.91

MUTUAL BENEFIT POLICIES

—CONTAIN—

Special and Peculiar Advantages

WHICH ARE NOT COMBINED IN THE

POLICIES OF ANY OTHER COMPANY.

ESTABLISHED IN 1822.

THE NATIONAL ASSURANCE COMPANY OF IRELAND.

GEORGE E. KENDALL,
United States Manager,
HARTFORD, CONN.

State Mutual Life Assurance Co.,

OF WORCESTER, MASS.

A. G. BULLOCK, President.
Incorporated 1844.

Issues policies, incontestable after two years, protected by the Non-Forfeiture Law of Massachusetts. Yearly dividends.

Assets..... $17,754,046
Liabilities..... 15,889 512

Surplus January 1, 1901..... $1,864,534

C. W. ANDERSON, General Agent, 189 BROADWAY, NEW YORK.

Germania Fire Insurance Co.

Southeast Corner of William and Cedar Streets, New York.

STATEMENT, JANUARY 1, 1901.

Cash Capital..... $1,000,000.00
Reserve for Unearned Premiums..... 1,563,778.00
Reserve for Losses under adjustment..... 81,571.61
Reserve for all other Claims..... 42,475.49
Net Surplus..... 2,275,975.38

Total Assets..... $4,963,800.48

HUGO SCHUMANN, Prest.

FR. VON BERNUTH, GEO. B. EDWARDS, } Vice-Presidents. CHARLES RUYKHAVER, sec. GUSTAV KHER, Asst. sec.

Provident Savings Life Assurance Society

OF NEW YORK.

EDWARD W. SCOTT, PRESIDENT.

THE BEST COMPANY FOR POLICY HOLDERS AND AGENTS.

SUCCESSFUL AGENTS, AND GENTLEMEN SEEKING REMUNERATIVE BUSINESS CONNECTIONS, MAY APPLY TO THE HEAD OFFICE, OR ANY OF THE SOCIETY'S GENERAL AGENTS.

The Preferred Accident Insurance Co.

OF NEW YORK.

Accident Policies. Health Policies.

Large Benefits, Low Rates, Best Commissions.

December 31, 1899:

Assets,	$779,385.45
Surplus,	365,124.30

KIMBALL C. ATWOOD, Sec'y, 290 Broadway, NEW YORK.

The Metropolitan Life Insurance Co.

(INCORPORATED BY THE STATE OF NEW YORK.)

"The Leading Industrial Insurance Company of America,"

IS REPRESENTED IN ALL THE PRINCIPAL CITIES OF THE UNITED STATES AND IN CANADA. THE PAYMENT OF OVER 250 DEATH CLAIMS DAILY TELLS OF THE GOOD IT DOES. INSURANCE IN FORCE OF OVER $900,000,000 ATTESTS ITS GREATNESS AND FAVOR WITH THE PUBLIC.

Permanent, Profitable and Progressive Employment.

AGENTS WANTED—Any honest, capable, industrious man, who is willing to begin at the bottom and acquire a complete knowledge of the details of the business by diligent study and practical experience can, by demonstrating his capacity, establish his claim to the highest position in the field. It is within his certain reach. The opportunities for merited advancement are unlimited. All needed explanations will be furnished upon application to the company's superintendents in any of the principal cities, or to the Home Office, No. 1 Madison Avenue, New York City.

JOHN R. HEGEMAN, President.

HALEY FISKE, Vice-President. GEORGE H. GASTON, Second Vice-President. GEORGE B. WOODWARD, Secretary. J. J. THOMPSON, Cashier and Assistant Secretary. JAMES M. CRAIG, Actuary. JAMES S. ROBERTS, Assistant Secretary. STEWART L. WOODFORD, Counsel. THOS. H. WILLARD, Medical Director. A. S. KNIGHT, Assistant Medical Director.

The Lancashire Insurance Company

OF MANCHESTER, ENG.

MILTON DARGAN, Manager,

25 Pine Street, NEW YORK.

The Manhattan Life

OF NEW YORK.

STRENGTH,
SECURITY,
SOLIDITY

ARE THE WATCH-WORDS OF THE COMPANY

Assets,	$16,367,635.69
Surplus,	1,706,854.98

Live, energetic men are wanted for several pieces of excellent territory. Very interesting propositions will be made to first class men.

ADDRESS:

W. B. LANE. 2D VICE-PRESIDENT.

EVERY MODERN FORM OF POLICY ISSUED.

INCORPORATED 1860

GERMAN INSURANCE CO.

OF FREEPORT, ILL.

The Largest and Most Successful Fire Insurance Company in the West.

Assets, January 1, 1901,	$3,656,401.59
Cash Capital,	200,000.00
Liabilities, including reinsurance,	2,181,179.89
NET SURPLUS,	1,275,221.70

C. O. COLLMAN, Pres. HENRY BAIER, Vice-Pres. D. B. SCHULTE, Treas.
WM. TREMBOR, Sec. F. M. GUND, Ass't Sec.

Provident Life and Trust Co.

OF PHILADELPHIA.

The best in Life Insurance is likely to be the cheapest. The same fidelity, skill and care which are necessary to guarantee the future security of a company result in the lowest cost. A good test, therefore, is to determine whether the organization and the surroundings of a company exclude all doubt as to future security. In determining this the question of cost is determined also. **THE PROVIDENT LIFE AND TRUST COMPANY** invites inquiry as to its organization and the provisions for safety afforded. For the full period of its existence the death rate has been only .614 of the rate indicated by the authoritative tables.

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.
FOUNDED 1792.

Assets, January 1, 1901		$9,583,791
LIABILITIES—Reserved for Reinsurance and all other claims	$4,805,254	
Capital Stock	3,000,000	
Surplus over all Liabilities	1,778,537	$9,583,791

Agents in all the principal towns and cities.

CHARLES PLATT, President. EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. BENJAMIN RUSH, Second Vice-President.
T. HOUARD WRIGHT, Marine Secretary. JOHN B. ATWOOD, Assistant Secretary.

Offices in New York: Fire, William and Pine Sts.; Marine, 63 Wall St

1825. THE 1901.

Pennsylvania Fire Insurance Co.

OF PHILADELPHIA.

Cash Capital,	$400,000.00
Re-insurance and all Liabilities,	2,771,038.56
Surplus,	2,163,883.97
Total January 1, 1901,	$5,334,922.53

R. DALE BENSON, Prest. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Prest. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

Northern Assurance Company,

OF LONDON, ENGLAND.

EASTERN AND SOUTHERN DEPARTMENTS,

38 PINE STREET, NEW YORK.

GEORGE W. BABB, JR., Manager. T. A. RALSTON, Sub-Manager.

When Working for The Mutual Life...

You needn't introduce the Company—the Company introduces you. There you have it. You needn't take a minute or a word to prove where The Mutual stands or what it stands for. The whole world knows its masterful leadership—just as you know it yourself. But there are some things you may not know.

DO YOU KNOW

That **The Mutual Life** is especially helpful to agents?
That **The Mutual Life** writes the most liberal policies?
That **The Mutual Life** gives the highest guarantees?
That **The Mutual Life** has policies that meet every requirement of investment as well as of protection?

Look into these things. Take no one's say so, but investigate,

The Mutual Life Insurance Company

OF NEW YORK,

RICHARD A. McCURDY, President.

IT IS THE LARGEST FINANCIAL INSTITUTION IN THE WORLD.

Income in 1900, - - - $60,582,802.31
Assets January 1, 1901, - - $325,753,152.51

It has room for workers who are not rebaters. Address

GEORGE T. DEXTER,
Superintendent of Domestic Agencies,
NEW YORK.

Home Life Insurance Co.

256 BROADWAY, NEW YORK.
GEO. E. IDE, - - - - President.

Assets, - - - - -	$12,342,247.00
Dividend Endowment Accumulations, -	736,337.00
Contingent Fund, - - - -	65,875.00
Net Surplus, - - - - -	1,282,588.30

ORDINARY and INDUSTRIAL PROFIT SHARING POLICIES.

EXCEPTIONAL ADVANTAGES TO

..... Active Agents.

WRITE TO

THE PRUDENTIAL INSURANCE CO. OF AMERICA

JOHN F. DRYDEN, President. Home Office: NEWARK, N. J.

CHARTERED 1866.

The Old Reliable

Hartford Life Insurance Co.

HARTFORD, CONN.

In its Industrial Branch issues Whole Life, Endowment, Semi-Endowment and Life-Endowment-at-Age-80 Policies, in amounts from $10 to $500 and from ages 2 to 60.

These policies are plain in terms and conditions. Cash Surrender and other values are written in the contract. All "Hartford" Policies are in all immediate benefit in case of death by accident.

Best to sell or insure under. *Over $20,000,000 Paid in Benefits.*

GEO. E. KEENEY, President. CHAS. H. BACALL, Secretary.

We Offer to Mail, for the Postage,

To Any Fire Insurance Agent

"How to Build a Home." - -	156 pp.	Post. 4c
"How to Build Fireproof and Slow-Burning," - - - -	132 pp.	" 5c
"Plans and Specifications for Economical Dwelling Houses, Barns, Etc." - - -	75 pp.	" 6c
"The Relation of Fire Insurance to the Community." - - -	32 pp.	" 2c
"What Constitutes a Safe Electrical Equipment." - - - -	Leaflet,	" 1c

CONTINENTAL INSURANCE COMPANY,
46 CEDAR STREET, - - NEW YORK

COMMERCIAL UNION ASSURANCE CO.

LIMITED,
OF LONDON.

OFFICE:

Cor. Pine & William Sts., New York.

North British & Mercantile

INSURANCE COMPANY,

OF LONDON AND EDINBURGH.

Established 1809.

OFFICE:

76 WILLIAM STREET,

NEW YORK CITY.

Instituted in Reign of Queen Anne, A. D. 1714.

Union Assurance Society of London

No Overhead Writing

No Dual Agencies.

Loyalty to Local Agents.

United States Offices: Society's Building,

35 Pine Street, New York, ... Hall & Henshaw, Managers
171 La Salle Street, Chicago, . . . Hall & Henshaw, Managers
35 Kilby Street, Boston, . . Hall, Henshaw & Gilmour, Managers
English-American Building, Atlanta, Ga., . George N. Hurt, Manager
Mining Exchange Building, Denver, Col., Gerald L. Schuyler, Manager

AGENTS IN ALL THE PRINCIPAL TOWNS AND CITIES.

INCORPORATED 1799

Providence Washington Insurance Company.

PROVIDENCE, R. I

Western Assurance Company.

HEAD OFFICE: TORONTO, CANADA.

INCORPORATED 1851.

Hon. GEO. A. COX, President.

J. J. KENNY, V. P., and Managing Director.

UNITED STATES STATEMENT, JANUARY, 1901.

Assets $2,016,370.78
Surplus in United States 638,430.59

Procure
Protect
Provide

ROBERT E. PATTISON, Pres.
THOMAS BRADLEY, 1st Vice-Pres.
GEO. B. LUPER, 2d Vice-Pres. & Gen'l Mgr.

The Security Trust and Life Insurance Co.

Principal Office, - - Broadway and 26th St., N. Y.

CAPITAL (full paid) - **$500,000.00**

Assets, $1,478,133.51. Assets to Liabilities, 165 Per Cent.

AGENTS

Should write the Company for prospectus, rates, etc., for its new and unique

Combination Life, Endowment, Accident, Health and Annuity Policy

A policy embracing all features and benefits indicated by its name.

Issued only by this Company.

SECURE TERRITORY GOOD CONTRACTS

Caledonian Ins. Co.,

FOUNDED 1805. **of Scotland.**

"The Oldest Scottish Insurance Office."

United States Head Office, 27-29 Pine Street, New York City.

STATEMENT JANUARY 1, 1901.

Assets $1,910,617.66
Liabilities 1,101,382.62

Net Surplus in the United States $809,235.04

CHARLES H. POST, U. S. Mgr. N. A. McNEIL, Ass't U. S. Mgr.

National Life Insurance Company of Vermont.

J. C. HOUGHTON, President.
JOS. A. DE BOER, Vice-President.
O. D. CLARK, Secretary.

THIS COMPANY HAS GAINED IN THE LAST DECADE,

In Assets, . . . $12,275,109.34, or 160.96 per cent.
In surplus, . . . 1,089,332 69, or 119.47 per cent.
In insurance, . . 48,102,491.00, or 93.64 per cent.

Sells the Most Modern, Profit-Sharing, Non-Forfeitable Contracts of Life, Term, Endowment and Annuity Insurance. Correspondence from interested parties promptly recognized. Good agency contracts for reliable men.

J. F. MAKLEY, General Manager,
149 Broadway, New York.

National Fire Insurance Company,

HARTFORD, CONN.

JAMES NICHOLS, President. B. R. STILLMAN, Secretary.
H. A. SMITH, Assistant Secretary.

HEAD OFFICE, 95 Pearl Street, Hartford, Conn.

WESTERN DEPARTMENT.
FRED. S. JAMES, General Agent.
G. W. BLOSSOM, Asst. Gen'l Agent.
Office, 174 La Salle St., Chicago.

PACIFIC DEPARTMENT.
GEO. D. DORNIN, - Manager.
GEO. W. DORNIN, Asst. Manager.
Office, 409 California St., San Fran.

Sun Ins. Office of London, England.

J. J. GUILE, U. S. MANAGER.

OEFICE: 54 PINE STREET, NEW YORK.

The Largest Fire Insurance Company in Germany.

MAGDEBURG FIRE INSURANCE CO.

OF MAGDEBURG, GERMANY.

ESTABLISHED 1844.

United States Branch, Magdeburg Building, 17 William Street, New York.
PAUL E. RASOR, Manager. AD. DOHMEYER, Ass't Manager.

Lion Fire Insurance Company,

84 QUEEN ST., CHEAPSIDE,

LONDON, ... ENGLAND.

United States Branch: Hartford, Conn.

The Agricultural Insurance Company of Watertown, N.Y.

ESTABLISHED 1853.

Assets, January 1, 1901 ..... $2,283,558.42
Total Liabilities, except Capital $1,240,017.87
Joint Stock Capital 500,000.00

THERE ARE FEATURES IN THE FIFTY-THIRD ANNUAL REPORT OF

The Penn Mutual Life Insurance Company

Of interest to all engaged in life insurance work.
A copy on request.

THE PENN MUTUAL LIFE INSURANCE COMPANY,
921-925 CHESTNUT STREET, - PHILADELPHIA.

The Massachusetts Mutual Life Insurance Company,

INCORPORATED 1851.

SPRINGFIELD, MASS.

ASSETS—January 1, 1901 ..... $26,245,622.04
LIABILITIES 23,920,986 53
SURPLUS 2,324,635.51

Definite Paid-up and Cash Surrender Values written in every Policy.

JOHN A. HALL, President. HENRY M. PHILLIPS, Secretary.

New York Office: Empire Building, 71 Broadway.
GEORGE J. WIGHT, Manager.

ÆTNA LIFE INSURANCE CO.

MORGAN G. BULKELEY, PRESIDENT

Largest Company in the World doing Life, Accident and Health business

ASSETS, OVER . . . $56,000,000.

MOWRY and PATTERSON, Managers Life Department.
GEORGE C. STERLING, Manager Accident Department.

Continental Building, 46 Cedar Street, NEW YORK CITY.

Phœnix Mutual Life Insurance Co.

OF HARTFORD, CONN.

ORGANIZED IN 1851.

Assets, January 1, 1901 ..... $13,278,711.73
Surplus at Four per cent 564,656.73

Total Paid Policy-holders over
—$42,500,000—

ACTIVE AND INTELLIGENT MEN WANTED AS AGENTS, with whom liberal contracts will be made. Desirable territory now open.
The new plans of the Company are brief, clear and liberal. Life and Endowment Policies have endorsed upon them definite cash, loan, and paid-up values, and in case of lapse, insurance is extended without action on the part of the insured.

J. B. BUNCE, President. J. M. HOLCOMBE, Vice-President.
C. H. LAWRENCE, Secretary.
NEW YORK OFFICE: WEED & KENNEDY, Managers, 149 Broadway.

The Union Central Life Ins. Co.,

CINCINNATI, OHIO.

Assets, January 1, 1901, ... $26,440,297.28
Surplus, ... 3,693,343 46

No Fluctuating Securities. Largest Rate of Interest. Lowest Death Rate.
Endowments at Life Rates and Twenty Payment Guaranty Policies Specialties.
Large and increasing Dividends to Policy-holders. DESIRABLE CONTRACTS and GOOD TERRITORY open for LIVE Agents.
Address JOHN M. PATTISON, President.

Scottish Union & National Ins. Co.

ESTABLISHED 1824.

No. 35 St. Andrew Square, Edinburgh, Scotland.
No. 3 King William Street, E. C., London.

United States Branch: Hartford, Conn.

Connecticut General Life Ins. Co.,

HARTFORD, CONN.

Assets, January 1, 1901 ..... $3,765,824.33
Liabilities 3,416 031.86
Surplus to Policy-holders $349,792.67

This Company offers a Policy having liberal provisions for Cash Values, Paid-Up Insurance, Residence and Travel, with Ample Security. Active and Experienced Agents Wanted.

R. W. HUNTINGTON, Jr., President. E. B. PECK, Assistant Secretary
F. V. HUDSON, Secretary. JAMES A. TURNBULL, Actuary.

The American Fire Insurance Co.,

PHILADELPHIA, PA.

CASH CAPITAL $500,000.00
Reserve for Reinsurance, and all other Claims 1,603,605.54
Surplus over all Liabilities 247,360.42
TOTAL ASSETS, JANUARY 1, 1901 ..... $2,477,069

THOMAS H. MONTGOMERY, Prest.
RICHARD MARIS, Sec. and Treas. WM. F. WILLIAMS, Asst. Sec.
WM. B. KELLY, Gen. Mgr.
DIRECTORS—Thomas H. Montgomery, Israel Morris, Pemberton S. Hutchinson, Joseph E. Gillingham, Charles S. Whelen, Edward F. Beale, John S. Gerhard, Edward Lowber Welsh, Archibald R. Montgomery.

HANOVER

Agencies in all the Principal Places in the United States.

Fire Insurance Company OF NEW YORK.

German American Insurance Company New York

29th ANNUAL STATEMENT, JANUARY 1st, 1901.

Cash Capital, - - - - $1,000,000.00
Reserve for all Liabilities, - - - 3,408,569.64
Net Surplus, - - - - - 4,267,711.70
TOTAL ASSETS, - $8,676,281.34

1846—1901.

THE CONNECTICUT MUTUAL LIFE

Insurance Company.

WHERE THE CONNECTICUT MUTUAL STANDS.

During all the long struggle out of which this situation has developed, and amid the many schemes devised to attract public attention and favor to something else than life insurance, the attitude and position of the Connecticut Mutual have never been doubtful.

It has held to the cardinal facts: Life insurance is for the protection of those dependent on a man's life; their dependence makes it his unavoidable duty. Those dependents we assume to protect by our contract, at his personal cost; our duty to them is to make that protection as large, as secure, and as certainly available to them as possible; our duty to him is to make its cost to him as small as possible.

JACOB L. GREENE, President.
JOHN M. TAYLOR, Vice-President.
HERBERT H. WHITE, Secretary.
DANIEL H. WELLS, Actuary.

Prominent Patrons of Life Insurance

NINTH EDITION

The best canvassing work ever issued for life insurance agents. It contains the names of over four thousand prominent bankers, lawyers, clergymen, merchants, manufacturers—in fact, of all classes of men who carry insurance upon their lives from $50,000 to $1,500,000. Also

Several Hundred Autograph Letters

from men approving of life insurance, and giving their reasons for so doing. This is the most complete list of large insurers ever compiled. The names and letters are arranged in geographical divisions by States, cities and towns, thus giving agents the names of large insurers in their immediate localities.

This work is now in the hands of the printers and will soon be ready for delivery. Printed on fine paper and handsomely bound in manilla and flexible leather covers; pocket size, for convenient use.

PRICES: { *Manilla Covers, - - $0.50 per copy.*
Flexible Leather Binding, 1.00 " "

THE SPECTATOR COMPANY
95 William Street, New York

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

VOL. LXV. SATURDAY, NOVEMBER 30, 1901. No. 22.

Published every Saturday by the Underwriter Printing and Publishing Company.

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All communications should be addressed to THE WEEKLY UNDERWRITER, 58 William Street, New York.

Checks and money orders should be made payable to the order of THE WEEKLY UNDERWRITER.

IN several States the fraternal life insurance organizations are agitating the establishment of distinct State departments, which shall have exclusive supervision over their affairs. They do not like the constant striving of insurance commissioners that they be held to stricter accountability and regulated by more exacting laws. With supervisory officials of their own choosing—for they feel the potency of the large vote they can control in politics—they expect to be able to influence the appointment of persons more favorable to their claims and more lenient toward their weaknesses than the kind of statesman now in office—the kind which they think has a stronger affection for their more powerful regular competitors. The question of insurance supervision is evidently going to have a larger discussion than ever in the next few years. The partisans of a national bureau are more aggressive and the insurance companies, wearied by the increasing requirements from forty-five different States, are wondering if relief cannot be obtained by lumping the whole business at Washington. Meanwhile the State officials, with such rare exceptions as Auditor Hart of Indiana, will fight with grim determination for the retention of their prerogatives and emoluments.

THE movement started at New Haven last week by the Connecticut Association of Local Fire Insurance Agents to organize a divisional sub-association of the National Association to cover the New England States is likely to commend itself to the local underwriters particularly interested. The claim in behalf of the movement is that as the interests of New England agents are homogeneous and are not affected by the affairs of agents of distant States represented in the general association, they can be best served by independent and interjacent action. The plan is to constitute the officers of the several State associations, the members of the New England Association and give it jurisdiction over grievances and legislation in a supervisory or appellate sort of way. Acting in concert the better results can be effected for all concerned. This is carrying out in the restricted area the well established principle that in union there is strength. Co-operation with the New England Insurance Exchange is also in view. It is urged that the two bodies could obtain nearly anything in reason that they would work for together. But their composition is really different. The Exchange is an organization of department managers and specials whose official breath depends on the will of the companies. The local agents, who in a large measure control or whose influence predominates over the business in which they deal, are more independent of the companies. As an associated body in New England they would be more powerful than the Exchange. The steady growth of the compact idea among the local agents may not be viewed by the companies with complete equanimity.

THE factory mutual insurance companies in New England appear, for the time being at least, to have scored a point in competition with their congeners of the stock persuasion. It appears in the shape of an opinion given by Attorney-General Knowlton of Massachusetts regarding insurance against sprinkler leakage. The Massachusetts statute authorizing this variety of insurance states that contracts providing it "shall not be incorporated in any contract of insurance against loss or damage by fire, but shall be contained in separate and distinct policies, the conditions of which shall be submitted to the insurance commissioner." Insurance Commissioner Cutting would not consent to the mill mutuals attaching a sprinkler policy to a fire insurance policy, so the matter was submitted to the Attorney-General, who has ruled that "provided * * the contract against damage by water be an independent contract complete in its terms upon a separate policy, there is no objection to its being attached to the ordinary fire policy. It must, however, not be a mere rider, but a contract complete in itself and capable of being enforced, whether there be a contract of insurance against fire or not." The mill mutual companies have now prepared a form, which they intend to add to the standard policy from January 1 next, but it will be detachable and may be cancelled by the assured without affecting the fire policy. The competitive point appears in the fact that it is believed that the mutuals will make no additional charge for the addition of the sprinkler leakage form to their fire insurance contract. It is not impossible that the legality of the Attorney-General's opinion may be subjected to a legal test, for the question quite naturally arises: If it is allowable to attach a sprinkler policy to the fire contract, why may it not be permitted also to attach a contract for life, accident or casualty insurance as well, should it suit the ends of any corporation to make the innovation?

THE easy insurance laws of Illinois have permitted the outcropping of a new swarm of Lloyds which need looking after either by the insurance department or the district-attorney of Cook County. Two of these, at least, are manifest deceptions, and yet one of them, in which the celebrated "Deacon" Lowell is reported to be the moving spirit, claims assets in its advertising circulars of $316,267.74. An investigation by the publishers of Best's Insurance Reports reveals a remarkable selection of subscribing "underwriters" for this concern by the Deacon. The report on one of them listed as "Contractor and Builder" is: "He owes many large book

accounts at the several places where he has been dealing. These accounts have been standing for several years and are considered worthless and uncollectible. He owns a house and an acre or two of ground just South of the city limits mortgaged for all it is worth." Of another of the underwriters the report says: "Inquiry at several places has failed to bring such a person to light. No one knows a man by that name, neither does his name appear in the city directory." The third of this group of money barons, described as "Paints and Oils," is a clerk in a store dealing in these commodities on a salary of $10 per week. "He seems to be a straightforward young man, but evidently has no property of any kind and his parents are also in very moderate circumstances." Still another, whose vocation is given as "Accountant," is a clerk in a small retail plumbing and gas fitting store and keeps a set of single entry books for his employers. An "ex-sheriff" does nothing for a living and is supported by his wife's brother. A "Druggist" is employed as a buffer in a factory on $10 a week and has low credit because he does not pay his bills, and the nearest the subscriber to the Lloyds who is described in its circular as "Real Estate" ever came to being in the real estate business "was when he was a valet to an invalid who was formerly in the real estate and insurance business." The late valet is at present "without a situation." We reprint these sample details because they will give a good idea of the composition of many of the irregular concerns with imposing names which lax insurance laws permit to prey upon ignorant people and those of limited means. The victims have no means of ascertaining the character of the individuals who are named as guaranteeing indemnity in exchange for premiums and they are accepted as trustworthy because the concern which offers them is permitted to exist. It must be remembered that when a Lloyds fails it is almost always necessary for policy-holders to sue each underwriter separately. Under the most favorable circumstances this is an onerous burden and we can imagine the fun there must be in going for the ordinary subscriber.

Facts and Opinions.

PARIS cable dispatches on Monday had an account of the purchase of valuable property in that metropolis by the Equitable Life Assurance Society, which as an investment and for office purposes reflects credit on the sagacity of the management. The site is one of the finest in Paris, fronting on the Place de l'Opéra, the Rue de la Paix and the Boulevard des Capucines, and is in the vicinity of the Grand Opera, Bourse, Column of Vendome, Madeleine and Cercle National Militaire, perhaps the best known centre of the town. The price paid for the property has not been made public, but it is probably more than $1,200,000. Vice-President Hyde on Monday made the following statement to an inquirer:

It is true that the Equitable has purchased the plot described in the cablegram. The negotiations have been pending for a long time, but we have only completed them within the past day or two. There are several properties which will be united in one, and, of course, it was necessary to keep the negotiations secret until we were ready to announce our absolute success. We believe we have made a great bargain in real estate. There is no locality which will increase faster in value, and, as a matter of fact, the present rentals bring a handsome return on the investment. It is one of the choicest sites, if, indeed, it is not the choicest site, in Paris, being situated on the three most prominent streets of the city, and we have secured it at a bargain. We believe the purchase will prove a source of gratification to all our policy-holders and be of special interest to all Americans who have visited Paris. Our future plans regarding this plot we are not yet ready to announce.

THE Tennessee Association of Local Fire Insurance Agents held its annual meeting at Memphis November 21 and 22, and elected officers as follows: President, J. A. Sylvester, Memphis; first vice-president, J. E. Davies, Knoxville; second vice-president, Dudley Gale, Nashville; third vice-president, C. W. Olson, Chattanooga; secretary and treasurer, Sol Moyses, Chattanooga. Members of the executive committee and committees on legislation and grievances were also elected. Papers were read by J. E. Davies, of Knoxville, on the subject of "How Local Agents Can Save Money for Their Companies and Help to Reduce the Fire Waste in Tennessee"; by C. W. Olson, of Chattanooga, on "Local Underwriting as a Profession," and by F. L. Renner on "Schedule Rating." Much interest was shown in the two days' meeting, many of the delegates making short speeches expressing their views on the condition of the business. C. M. Benjamin advocated a fire marshal law. L. B. Manson spoke for more careful selection and inspection and greater loyalty to companies; C. E. Curtis, of Nashville, exhibited a strip of paper about 25 feet long, on which were pasted clippings from the Nashville papers about fires. Fires of incendiary origin he had marked with a blue pencil. About half of the clippings were so marked. Sol Moyses, of Chattanooga, advised prompt investigation of damage done by fire. He instanced a case where a merchant estimated his loss at $1,200, and when stock was taken account of the damage was found to be no more than $400. H. P. Hobson, of Somerville, said that his rule was to pay people the amount of insurance they ought to have, not what they wanted. The next annual meeting will be held at Knoxville.

THE *Medical Examiner and Practitioner* discusses the plea made by medical clinitian or physician, that the medical aspects of appendicitis are given too little importance and the surgical side far too much: that no surgical operation should ever be performed upon any organ without previous consultation with a general practitioner of prominence and wide experience, and it prints from a communication from Dr. O'Hanlon, whose work in connection with the coroner's office in New York is well known, as follows:

Appendicitis belongs to a class of diseases which we often read about but seldom see at autopsy. Again and again I know of cases where a diagnosis of appendicitis was made upon the strength of pain in the right iliac region, and some gastro-intestinal symptoms, all of which promptly disappeared after a dose of castor oil. Among 3,000 autopsies made by me during the past seven years I have only seen ten cases of appendicitis. I had forty-two cases sent to me for autopsy which had been diagnosed as appendicitis; in ten of them I found a greatly distended colon, but no lesion of the appendix, either gross or microscopical, could be discovered, and in the remaining thirty-two even the distension of the colon was absent and the appendix was normal.

After quoting the above our contemporary says that during the past year a number of cases of typhoid fever have been reported which were mistaken for appendicitis and operated on as such. An operative wound complicating typhoid fever of course seriously hampers the treatment of the case, especially if cold baths are indicated. Among other conditions which have been mistaken for appendicitis and operated upon are various pelvic troubles, pancreatitis, hepatic conditions and other intra-abdominal lesions. This is really a shocking indictment of the medical profession.

LAST week Frederick F. Whippen, of Whippen & Bootman, insurance brokers, of 17 Central square, Cambridge, was arrested on the instance of the Massachusetts Insurance Department, which charged him with writing fire insurance on the property of one Max Weisman, of Somerville, in the Great Britain Fire Insurance Corporation, a company not authorized to do business

in the State. The accused had no surplus line license, and even if he were provided with such authority the Great Britain is not the kind of concern to place excess insurance in, as it is entirely discredited as a purveyor of sound insurance. Whippen was brought to trial in the Somerville Police Court last Tuesday, and admitted having placed about a dozen policies in the same concern, but stated that he had taken most of them back and refunded the premiums to his customers. He pleaded guilty to the charge brought against him, and was sentenced by Judge Story to pay a fine of $100. Whippen then gave notice that he would appeal from the sentence, a most unusual proceeding after a plea of "guilty," and possibly an expedient for gaining time to raise money to pay the fine. The insurance department is working up another case of policies placed in the Great Britain, and implicating a brokerage firm of some prominence.

THE West is in for a general advance in farm rates at the first of the year. A number of conferences have been held in Chicago over the question, and the new rates are about ready for publication. What are called the professional farm insurance companies are the Continental, Phenix of Brooklyn, Connecticut, German of Freeport, Home of New York, American of Newark and Forest City. They handle the business through farm departments, take notes, and get on the average 3 per cent. for five years. The others writing farm risks are the St. Paul Fire and Marine, Insurance Company of North America, Phœnix of England, American Central, Hanover, Fireman's Fund, Ætna and London and Liverpool and Globe. They write the business through recording agencies in certain districts, and their usual rates have been 50 cents for one year, $1 for three years and $1.50 for five. These companies say that the way to an improvement is paved by the retirement from this field of the Fire Association, which has been writing $200,000 a year in premiums on its Western farm business. Several have already increased their rates, and others will do so before the first of the year, putting them up to a figure at which there is some show of profit.

A LARGELY attended special meeting of the policy-holders of the Atlantic Mutual Life insurance company of Greenfield, Mass., was held at its home office Tuesday morning to take action on the plan of merging its assets with and reinsuring its business in the Boston Mutual Life insurance company of that city. The proposition was unanimously adopted, and results in adding the business in force of the Atlantic, aggregating about $2,000,000, to that of the Boston, aggregating about $3,500,000, making the business of the latter $5,500,000 in all. The assets of the Atlantic at the end of last year, as admitted by the Massachusetts Insurance Department, were $20,286, and those of the Boston Mutual $79,109. Both companies started as assessment societies, the one that has been reinsured in 1895 under the title of the Greenfield Life Association, and the Boston Mutual in 1892 as the Boston Mutual Life Association. Both organizations availed themselves of the provisions of the so-called "Dewey law" to enter the level premium camp two years ago, taking on their present titles at the time. It is claimed that there will be a large saving in operating expenses by the consolidation of the two concerns.

THE State Auditor of Arkansas has sent a circular letter to fire insurance companies doing business in that State warning them against paying commissions to non-resident agents or brokers on insurance on property in that State. Mr. Monroe says:

It is a matter of general report that some companies authorized to do business in this State are writing policies covering property in this State and sending them to some of their resident local or special agents to be signed, and asking such local or special agents to divide their commission with outside agents and brokers. This department has no disposition to annoy the companies, but, on the contrary, will gladly afford them every facility for the transaction of their business; but it will not tolerate any violation or evasion of the resident agents law, which it construes to mean that no company, general agent nor local agent has any right to pay any commission or brokerage, directly or indirectly, to any non-resident agent or broker for insurance written on property located in this State, it matters not whether it be under specific policies covering property in this State or under policies written on schedules covering property in several States, including Arkansas. This friendly warning is given to save you possible trouble, because if this department should become convinced by sufficiently strong circumstantial evidence that the law has been violated the license of the offending company or agent, or both, will be revoked pending investigation.

THE *Financial Record* prints a portrait of James G. Batterson, Jr., the New York manager of the Travelers insurance company. The facial expression characteristic of the father is seen in that of the son; a strong will and earnest purpose. In a sketch of Mr. Batterson, the *Record* says:

He was born in Hartford, where he spent his boyhood, and was educated at Williams College, Massachusetts. He began his business career in Fargo, N. Dak., as a dealer in agricultural implements and machinery. He introduced North Dakota to the hay press, and cut and baled the first bale of hay ever cut and baled by machinery in that State. In 1884 he returned to the East and formed the firm of Batterson & Hendricks, publishers, 44 Broadway. He was elected vice-president of the New England Granite Works in 1894. In 1898 he assumed the management of the Travelers New York office, and was made a director in that company at its annual meeting in 1901. Like his distinguished father, Mr. Batterson is an example of that rare combination and balance of faculties that gives both versatility and mastery. He has made a notable success in no less than four dissimilar lines of business. Every granite block in the Congressional Library at Washington and in the Standard Oil and Western National Bank buildings, this city, was quarried and cut under his personal supervision—successful implement man, publisher and insurance man, he probably knows more about stone than any other one man in the world.

MUCH interest is being taken in the succession to Clarence S. Pellet as president of the Chicago Underwriters' Association. He says that he declared most positively, when he took the place under protest last year, that it would be for the last time, and that he will not recede from that position. H. J. Ullmann, of Marsh, Ullmann & Co., and C. P. Whitney, of Critchell, Miller, Whitney & Barbour, have been talked of for the place, but both are objected to by some. Personally they are entirely acceptable, but there is active opposition to anyone connected with the larger agencies, for fear they may have too many axes to grind. This has been intensified by the recent circular proposing to throw the control of the association into the hands of a few of the larger agencies by giving one vote for each $50,000 of premiums written. The answers to this proposition were published in the *Record* of the association Tuesday, and were, of course, strongly in opposition, especially from the smaller agencies, some of which used incendiary language in characterizing the idea.

WE find in the *Insurance World* an announcement of a course of lectures on life insurance which has been established by the State University of Iowa, and cordially approve of the panegyric upon the very capable journalist who has been selected by the university to give the course:

The State University of Iowa has been added to the number of the institutions of learning which have lectures on insurance in the course. Mr. J. A. Jackson, editor of the Chicago *Independent*, and a gentleman whose investigations of life insurance questions have attracted wide notice, is to deliver the series of lectures. Mr. Jackson is a college man who took up life insurance in the maturer years of his life. His keen insight into insurance problems, his accurate comprehension of insurance terms—evidenced by his excellent little book, "Life Insurance Definitions"—his unflinching loyalty to truth, and his urbanity when engaged in controversy, when he always addresses himself to the subject and not to the man, have won him the respect of all. We shall expect his lectures to be interesting as well as instructive; and we trust that they will make their appearance in the Chicago *Independent* in good time.

THE special commission appointed to look into the water supply of Kansas City, Mo., headed by G. H. Benzenberg, the

expert water works engineer, has about completed its report. It is known that it finds that the water supply is hopelessly deficient at present, and suggests many improvements, some for immediate betterment and others for ultimate action. The Kansas City situation is very much improved by the fact that C. J. Schmelzer, who seemed to think that an important part of his duties as president of the Commercial Club was to act as an insurance baiter, has been retired. He is succeeded by W. B. Thayer, one of the leading dry goods merchants of the city, who in his inaugural speech spoke with refreshing sanity on insurance subjects, urging the authorities to get their water supply right before they found fault with high rates based upon that insufficient supply.

"PROMINENT Patrons of Life Insurance," the ninth edition of which has just been published by the Spectator Company, 95 William street, New York, is undoubtedly one of the best canvassing books ever prepared for the use of life insurance canvassers. It contains the names of over 4,000 prominent bankers, lawyers, clergymen, merchants, manufacturers—in fact, of all classes of men who carry insurance upon their lives from $50,000 to $1,500,000. Also several hundred autograph letters from men approving of life insurance, and giving their reasons for so doing. The names and letters are arranged in geographical divisions by States, cities and towns, thus giving agents the names of large insurers in their immediate localities. The work is issued in pocket size, and the price is 50 cents to $1 a copy, according to binding.

A HEARING on the petition of the Mutual life insurance company for recovery of a policy issued on January 8 of this year to James C. Pearson, of Boston, insuring his life for the sum of $240,000, the company being in ignorance of the fact that he was undergoing an operation for appendicitis the same day, from the effects of which he died on the following day, was given in the United States Circuit Court at Boston before Judge Colt last Tuesday morning, on a demurrer presented by counsel for Mrs. Lydia Wright Pearson, widow of the deceased. After long arguments had been made by counsel for both sides Judge Colt announced that he would take the matter under advisement, so far as allowing the demurrer was concerned.

THE Philadelphia Fire Underwriters' Association has issued a statement to the public calling attention to the danger to life and property of Christmas displays in stores or dwellings in which inflammable materials and any system of illumination are used. It is pointed out that a policy of insurance is void if the hazard be increased by any means within the control or knowledge of the insured, unless the policy is indorsed with a special permission for the increased hazard. If electricity is used in the building where a display is contemplated the insurance policy requires that no alterations be made in the wiring or controlling system until a special permit is secured from the association.

THE Connecticut Association of Local Fire Insurance Agents met at New Haven Thursday of last week and elected the following officers: President, E. W. Beardsley, of Hartford; first vice-president, Orange Merwin, of Bridgeport; second vice-president, George E. Boyd, of Waterbury; third vice-president, J. M. Layton, of South Norwalk; secretary, W. L. Hatch, of New Britain; treasurer, William H. Squires, of Meriden. Executive, legislative and grievance committees were also chosen. The principal matter discussed was the organization of a New England Association auxiliary to the National Association. There was a banquet in the evening.

MANY complaints have been received by Western managers of the new ruling made by Commissioner Vorys, of Ohio, explanatory of his requirement that each agent shall keep a register of policies, so that tax and other questions can easily be decided from it. Some agents having been in the habit of keeping a general register, in which the policies of all their companies were recorded, the question was raised as to whether this complied with the law and the department edict, and Mr. Vorys has now ruled that a separate register must be kept for each company, although an agent may keep a combined register for his own convenience if he chooses.

CHICAGO underwriters say that the operations of the gangs of firebugs which had been doing so much damage there have been materially restricted as a result of the vigorous prosecutions begun several months ago by the Chicago Underwriters' Association in connection with the authorities. Thirteen men were indicted, and these have retired from the business, while the others have been scared out. The association voted a special tax to be used in preparing evidence and pushing the prosecutions soon to begin, and officers now state that some very startling and convincing facts have been discovered.

THAT premier reinsurist, Vice-President Mabie, of the Mutual Reserve Fund, has been in Chicago and the West working on another reinsurance deal. He has been after the Bankers' Union of the World, and pending completion of that deal the Bankers' Union is itself taking in a number of small assessment and fraternal concerns. Mr. Mabie is known to have closed a deal with an annuity company in Des Moines with about $8,000,000 of insurance in force, and is also said to be negotiating with the Chicago Life of Des Moines.

THE chairmanship of the committee of the New England Insurance Exchange for Franklin County, Maine, having been resigned by C. E. North, of the Merchants of Newark, William H. Hellyar, special agent of the Fire Association, was appointed to fill the vacancy at last Saturday's meeting. The exchange is to take action to-day on the establishment of the new scheduled risks committee, as recommended by the executive committee in a report printed in full in our issue of last Saturday.

THE special grand jury selected to investigate the Rathbun insurance conspiracy and murder case at Jeffersonville, Ind., on November 22 returned an indictment against Newell C. Rathbun, charging him with murder in the first degree. The body of Rathbun's alleged victim, supposed to be that of Charles Goodman, arrived from Little Rock the same day and was taken in charge by Coroner Coots. Rathbun pleaded not guilty, and his trial was set for December 19.

THE Provident Life insurance company of Wheeling, W. Va., has made a contract with the Metropolitan Life insurance company transferring its business to that company. The Provident Life had $2,118,200 in force at the beginning of this year, and wrote $1,650,000 industrial insurance last year. It began business in West Virginia in 1888 and has a full set of officers, D. H. Taylor, M. D., being president, and Thomas G. Jenkins secretary and general manager.

THE Illinois department has been industriously striving to get at the books of the Western Fire, Marine and Plate Glass insurance company of Chicago, but its peremptory demand was met with refusal on Wednesday, and now the Attorney-General will take a hand. The company was formerly the defunct Western of Aurora and is one of the Jacobs concerns.

AT Fort Smith, Ark., Mrs. Philomena Minehart and her two sons have filed a petition in the Circuit Court to compel the

Mutual Reserve Fund Life Association and its Arkansas agents, the Union Guarantee and Trust Company, to pay a policy of $5,000 held by the late John Minehart, alleging that notice was not given of the lapsing of the policy, and that the reserve fund contained credit to Mr. Minehart of sufficient amount to pay the premiums, which was not done.

After an absence of nearly two years Russell B. Drake, the absconding insurance agent of Tiffin, Ohio, who by forgery and false pretense obtained nearly $20,000 and then disappeared as if the earth had swallowed him, has been located and is now under arrest at Guadalajara, capital of the state of Jalisco, Mexico. Drake was district agent of the Union Central Life of Cincinnati, but the company was not much of a loser by his rascalities.

The Chicago *Life Insurance Independent* puts it pointedly thus: "You choose an assessment company because it is cheap, and 'just as good as any while it lasts.' It saves you $15 yearly, which is $300 in twenty years. After awhile, when you are old, and poor, and uninsurable, and have paid assessments for twenty years, the old thing busts. How much have you saved, and where is it?"

A suit to recover $1,250 paid to Rev. B. A. Cherry, D. D., for insurance on his house at Estill Springs, Tenn., has been begun by the Queen insurance company in that State. Dr. Cherry was recently expelled from the Tennessee Methodist Conference for arson and fraud upon insurance companies.

The Master in Chancery for the United States Court at Atlanta has reported in favor of the claim of Sumter Cogswell against the Erie Fire of Buffalo for $6,000. He was the former manager of the Manhattan Fire. It is understood that Mr. Cogswell has compromised his claim for $2,500.

The supply of insurance in St. Louis is steadily being diminished, as a result of heavy losses, inadequate rates and adverse legislation. The German of Freeport has stopped writing in the congested district, and the American of Newark has dropped a large number of sub-agencies.

That Western Union companies are not weakening on graded commissions is shown by the preparations now in progress to extend the plan to Nebraska, on the ground that the recent decision declaring the anti-compact law unconstitutional paved the way for such action without danger.

Lumbermen on Puget Sound, Washington, regard fire insurance rates as burdensome, and threaten not only to start a lumber mutual but to "seek legal means to get the insurance rate reduced, failing which an appeal to the Legislature will be made."

In entering Canada for business the Home of New York will not establish a department there, but will operate directly from the New York office and through special agents. It will make the necessary deposit of $100,000 at Ottawa.

The Southern of New Orleans, Pacific Fire of New York, Helvetia Swiss, Svea and Baloise have withdrawn from Florida; while the New Hampshire Fire, Citizens of St. Louis and Palatine of London have recently entered.

The Board of Fire Underwriters of Allegheny County, Pa., has promulgated the new rates in Pittsburgh, many of which make a substantial advance upon those heretofore in force.

Report from the office of the New York Life insurance company is to the effect that the business during the present year has reached the highest expectation of the management.

The manufacture of mutual fire insurance companies in Texas is going on at the rate of one a day, and until the collapse comes the regular companies will feel the loss of business.

The Boston insurance company has withdrawn from Ohio outside the five leading cities, and is reported to be looking for reinsurance for its Southern business.

The Provident Savings Life has made arrangements to reenter the State of Tennessee, from which it withdrew about three years ago.

The City Trust and Guaranty Company of Washington, D. C., contemplates applying for admission in a number of Western States.

Personal

Agency Appointments.

Ætna Life: C. W. Orr, of Fort Wayne, manager for Indiana.

Germania Fire of New York: Sam Williams, Atlanta, Ga.

Mutual Life of Kentucky: J. W. Popham, of Raleigh, manager for North Carolina.

New York Life: A. F. Aird, Buffalo, N. Y.

North American Life of Canada: Murphy & Bailey, general agents, with headquarters at Binghamton, N. Y.

Security Mutual Life: J. Murray Cann, of Providence, general agent for Rhode Island.

Dowager Lady Carew, a veritable centenarian, died on November 12, at Woodstown, Ireland, in the 104th year of her age, having been born in 1798. She was the daughter of Major Cliffe, of Abbey Braney, County Wexford, and was married in 1816 to Robert Shapland Carew, who in 1834 was raised to the peerage as Baron Carew. The present holder of the title is her grandson. The Dowager Lady Carew was present at the famous ball in Brussels, on the eve of the battle of Waterloo.

Mr. John D. Alsop, of Dyersville, Ia., has been a local agent in business continuously since 1868, and during this thirty-three years has never had to report a loss, large or small, to any company represented by him. This is given as a most remarkable record in fire underwriting, as Mr. Alsop does a sizable business for the town, says the Chicago *Record-Herald*.

Mr. O. F. Bresee, for many years general agent of the Mutual Life of New York for Maryland and Virginia, was stricken with paralysis November 15, and has since been in a critical state. Mr. Bresee met with a severe accident from a cable car in New York about a year ago, and afterward was in poor health. He is seventy-six years old.

Mr. W. T. Eldridge, a son of the vice-president, has been appointed assistant secretary of the Mutual Reserve Fund Life Association, and will be attached to the agency department under the second vice-president. Mr. Eldridge has been with the company several years past.

Mr. John C. Harding, a son of Manager Harding, has been made manager of the loss department of the Western department of the Springfield Fire and Marine. The work has practically been in his charge for some time.

Mr. Thomas Egleston, of Atlanta, general agent of the Hartford Fire, has been unanimously elected to the Georgia Legislature to fill the unexpired term of the late Hon. Porter King.

Mr. William H. Slocum, one of the United States trustees of the London and Lancashire and a prominent banker, died in Brooklyn on Saturday last, aged eighty-two years.

Mr. William H. West, a prominent insurance agent of Ogden, Utah, died November 13 from Bright's disease, aged forty-three years. He leaves a wife and nine children.

Mr. A. F. Aird, for seven years past manager of the Western New York agency of the Equitable Life, has resigned to accept the Buffalo agency of the New York Life.

Mr. Charles W. Otto, president of the Mutual Fire insurance company of Germantown, Pa., over a quarter century, died there November 22, aged seventy-six years.

Miss Emma M. Bacon, of the insurance agency firm of Bacon & Co., of Ogdensburg, N. Y., died there after a long illness November 15.

Mr. B. H. Nelson, insurance agent at Binghamton, N. Y., died there suddenly from apoplexy November 20, aged sixty-nine years.

Mr. Edward Litchfield, former United States manager for the Lancashire, sailed for England by the Germanic on Wednesday.

Messrs. Trezevant & Cochran, of Dallas, have been appointed general agents of the National Fire of Hartford for its Southwestern department, the

territory of which is arranged to include Texas, Arkansas and Indian Territory.

Mr. Walter G. Ayers, special agent of the London and Lancashire in Illinois, has resigned, to take effect on January 1.

Mr. Benjamin B. Peck, the Indiana State agent of the Mutual Benefit Life, died Tuesday evening of heart disease.

Insurance Legislation.

Complete copies of all important bills in the legislatures affecting insurance are on file in the office of THE WEEKLY UNDERWRITER.

Georgia.

ATLANTA, Ga., November 23.—Mr. Miller has introduced House Bill No. 743, which is an act requiring fire, fire marine and marine insurance companies doing business in the State of Georgia to write insurance on property located therein only through licensed agents, resident therein, and to forbid such companies accepting reinsurance on property in this State from any company not licensed to do business in this State.

Mr. Slaton has introduced House Bill No. 752, providing that old line legal reserve life insurance companies organized under the laws of foreign governments be required to make a deposit of $300,000.

Mr. Allen has introduced House Bill No. 208 to amend the Resident Agents' Law, by adding accident, liability or casualty insurance companies not incorporated by the laws of the State of Georgia.

Miscellany.

Rejoinder of the Mutual Reserve Fund Life to Commissioner Folk in the Matter of the Withdrawal from Tennessee.

Commissioner Folk, of Tennessee, having made certain statements in reply to the notice of withdrawal from that State by the Mutual Reserve Fund Life Association, the latter has sent him the following communication:

MUTUAL RESERVE FUND LIFE ASSOCIATION,
NEW YORK, November 27, 1901.

Hon. Reau E. Folk, Insurance Commissioner, Nashville, Tenn.:

DEAR SIR—I have to acknowledge receipt of your favor of the 18th inst., in answer to my letter of the 14th, announcing the withdrawal of the Mutual Reserve Fund Life Association from the State of Tennessee.

The condition making such withdrawal necessary after the full statement by us and our attorney to you of the position of the association, and after our assent, so far as we were able to give it, that your department should have a representative present to participate in an examination by the New York Insurance Department, and the clear statement by our attorney that "if for any reason the New York Department declines to let you participate in its examination, you have the right to make your own examination, so that in no event are your rights to be jeopardized in any way," was a matter of great surprise and regret to us.

I note your disclaimer of the interpretation placed by us upon your position with reference to the binding effect of a decision by your Supreme Court, in a certain case now pending, and your statement that such decision was to be limited in its application simply to the policy-holders of the Mutual Reserve president in the State of Tennessee.

Before analyzing the effect of this claim and the relationship of the association to a stipulation thus restricted from your point of view, I beg to call your attention to the conditions laid down in your letter of September 12, addressed to our attorney, Hon. Thomas B. Turley, to which conditions we from the first withheld our assent, and to the language employed in reference to the same matter in your communication of November 11.

In your letter to Mr. Turley you say, after expressing your doubts in reference to the special assessments made by this association upon a certain portion of its membership, "I am inclined to agree to submit through a test case the questions involved to a judicial determination. I submit herewith the terms for your client to assent to in order to submit such agreed or test case." Among these conditions is the following: "That the case be finally determined at the December term of the Supreme Court of this State at Nashville."

In your letter of November 11 you speak of the Carpenter case as "involving the question of your acts in transition from assessment to a legal reserve basis," and state to us your understanding that we have agreed that this case thus involving the questions which you had raised "shall not be transferred to the Federal Court, but be allowed to have final adjudication in the State courts." There can certainly be no question that in your letter of the 11th you were stating to us your understanding that we had agreed to place the Carpenter case in the position of the test case to which you referred in your letter of September 12, and that you took the position that in so doing we had assented to the requirements made by you in said letter of September 12, and had agreed to be bound thereby.

There is no question between us that, if we had allowed this understanding to remain undisputed, it would have constituted a stipulation of no binding effect upon this association and one for the enforcement of which there exists no possible legal means. But, at the same time, to have allowed your interpretation of the matter to stand, relying upon the impossibility of enforcing the stipulation, would have been an act of bad faith, of which this management would not for one instant be guilty. As stated in my previous letter, the position left but one alternative, and that the alternative of withdrawing from the State.

I note your quotation from my letter, as indicating my recognition that the agreement asked by you would not be of a binding character in other jurisdictions than Tennessee. The quotation means more than the interpretation you place upon it, for it meant that, though in the Carpenter case the decision should be favorable to the association, the result would not bar any claimant in Tennessee from entering the courts of that State to enforce his rights, and that, therefore, the association was asked to enter into a stipulation which had no legal or moral force even in Tennessee itself. In other words, the association was asked to place itself in the position of making an agreement, upon the result of which it was to take action affecting every member of the association, which in its very nature settled nothing and could settle nothing.

Passing now to your own interpretation of the requirement, namely, that it was to affect only those members of the association resident in the State of Tennessee, I beg to call your attention to the fact that this is a mutual organization and that the relations of one mass of members to the general body cannot be affected, disturbed or altered without altering, disturbing or affecting the rights and relations of every member. You were asking the association, by stipulation, to give jurisdiction to the courts of your State which those courts did not possess, with the effect that by the decision of your courts in that case the members in the State of Tennessee, by the assent of the association, be set aside in a class by themselves, with discrimination in favor of the members of that class as against the other members of the association similarly situated, unless the decision of your court was permitted to establish the rule which was to govern the treatment of all members of the association similarly situated, wherever they might reside.

In event of this latter alternative, namely, the decision of your court establishing the status of all the members holding the class of policies upon which these special assessments have been levied, then the holders of such form of policies would, by the action of your courts, be erected into a class in whose favor discrimination was to be shown to the detriment of all the other members. Thus in either alternative discrimination was to be made inevitable, simply as a remedy for supposititious discrimination, and this result was to be based upon the decision of a single court in a single case.

The position would be made, by the stipulation or agreement asked for, something entirely different than that of contesting the Carpenter or any other single case through the courts of your State. As a corporation existing under the laws of the State of New York, the courts of this State alone have any power of jurisdiction to investigate or regulate the legality, equity or propriety of the corporate action of the Mutual Reserve Fund Life Association. In any action or proceeding, directly or indirectly involving relations between the association in its corporate capacity and any member of the association other than the one bringing the action or proceeding, it is settled by the unanimous trend of judicial authority that the courts of any other State than the State of New York are without jurisdiction of the subject matter, because such an action

necessarily involves and interferes with the internal management of a foreign corporation. Thus the stipulation or agreement asked involved the submission to the courts of the State of Tennessee of questions over which the courts of the State of New York alone have jurisdiction.

This is not denying that an individual member of the association can bring and maintain in the courts of a State other than the State of New York, where personal jurisdiction of the association can be obtained, an action for a moneyed judgment only, to recover damages for an alleged breach of his individual contract of insurance, and it is probably true that, if necessary in such action, the court of such foreign State could investigate the corporate action of the association, but in so far only as it related to the particular member bringing the action and to his individual contract. But the theory, and the only theory, upon which even such an action could be maintained in a court outside the State of New York, is that the controversy involved a sum of money to be awarded or denied, as the case might be, in relation to the specific contract rights of the individual, and that the result of the action would have no bearing whatever upon the relations of the association to its other members, nor be in any respect *res adjudicata* as between them.

There can, therefore, exist no question that the position taken by the association in reference to the demand or requirement made by your department is correct and sound, and while we repeat, as in our letter of withdrawal, that such stipulation is one having neither moral nor legal effect, if made, at the same time, the association would have been guilty of bad faith, had it permitted itself to be drawn into a position where it seemed to make such a stipulation, merely for the sake of retaining for the time being its license to transact business in the State of Tennessee.

Thanking you for the courtesy which has throughout this correspondence marked your course of action and dealing with us, I am, Very truly yours,

(Signed) GEORGE D. ELDRIDGE,
Vice-President.

A Life Insurance Policy Takes Effect on Delivery.

A summary of the decision of the United States Supreme Court in the case of Fred A. McMaster, of Iowa, against the New York Life insurance company was published in our issue of November 2. The case, it will be remembered, involved the question whether an insurance policy goes into effect on the date of the application for it or when the policy is delivered. In this instance the application was made on December 12, 1893, and the policy was delivered December 26, 1893, when the premium was paid. Provision was made for grace of a month in the matter of the payment of a second policy. McMaster died January 18, 1895, six days after the expiration of the month of grace, if it was to be computed from December 12, or eight days before its expiration commuting it from December 26, the anniversary of the delivery of the premium. The Supreme Court decided that the grace began one year after the delivery of the premium, thus holding the policy to be good. The opinion of the Circuit Court of Appeals for the Eighth Circuit was reversed. In the course of the opinion Chief Justice Fuller said:

Each of these policies recited that it was made in consideration of the written application therefor, which was made part thereof, and of the payment in advance of an annual premium of $21, "and of the payment of a like sum on the twelfth day of December in every year thereafter during the continuance of this policy."

Does this latter provision require payment of an annual premium during the year already secured from forfeiture by payment made in advance?

May not the words "in every year thereafter" mean in every year after the year the premiums for which have been paid? Or in every year after the current year from the date of the policy?

At all events, if the payment in advance was a payment which put in force a contract good for life, determinable by non-payment of subsequent premiums, and this first payment was payment of the premiums for a year, could the requirement of payment of a second annual premium within that year be given greater effect than the right to cancel the policies from January 18, 1895, if such payment were not tendered until after the lapse of thirteen months from December 12, 1893?

To hold the insurance forfeitable for non-payment of another premium within the year for which payment had already been fully made would be to contradict the legal effect under the applications and policies of the first annual payment. Clearly, such a construction is uncalled for, if the words "the twelfth day of December in every year thereafter" could be assumed to mean in every year after the year for which the premiums had been paid. But if not, taking all the provisions together, and granting that the words included December 12, 1894, nevertheless it would not follow that forfeiture could be availed of to cut short the thirteen months' immunity from December 18, 1893, as the premiums had already been paid to December 18, 1894. And the company could not be allowed, on this record, by making the second premiums payable within the period covered by the payment of the first premium, to defeat the right to the month of grace which had been proffered as the inducement to the applications, and had been relied on as secured by the payment. If death had occurred on December 18, 1894, or between the 12th and 18th, it is quite clear that recovery could have been had, and as the contracts were for life, and were not determinable (at least for twenty years) at a fixed date, but only by forfeiture, it appears to us that the applicable rules of construction forbid the denial of the month of grace in whole or in part.

It is worthy of remark that it was specifically provided that after the policies had been in force one full year they should become incontestable on any other ground than non-payment of premiums, and we suppose it will not be contended that if any other ground of contest had existed and death had occurred between December 12 and December 18, 1894, the company would have been cut off from making its defense, because the policies had been in force "one full year" from December 12.

And if not in force until December 18, the date of actual issue, how can it be said that liability to forfeiture accrued before the twelve months had elapsed?

The truth is that the policies were not in force until December 18, and as the premiums were to be paid annually, and were so paid in advance on delivery, the second payments were not demandable on December 12, 1894, as a condition of the continuance of the policies from the 12th to the 18th. And as the policies could be forfeited for non-payment during that time the month of grace could not be shortened by deducting the six days which belonged to McMaster of right.

In our opinion the payment of the first year's premiums made the polices non-forfeitable for the period of thirteen months, and inasmuch as the death of McMaster took place within that period, the alleged forfeiture furnished no defense to the action.

Manager Tupper on the Causes of Withdrawal of Fire Insurance Companies from the South.

Southern Manager Samuel Y. Tupper, of the Queen insurance company, and former vice-president of the South Eastern Tariff Association, is reported as follows by the Atlanta *Constitution* on the causes of the recent withdrawals of fire insurance companies from the Southern States, and upon pending insurance legislation in Georgia:

I regard the retirement of two such representative and honorably conducted companies as the Lion and Caledonian as a distinct loss to the South. In my opinion it means that the managers and officers of these companies have lost confidence in this section and are afraid to continue with the prospect of increased losses staring them in the face. There is no disguising the fact that there is a deep rooted prejudice against Southern business by some of the companies.

This is largely due to inimical laws, heavy taxation and a disposition on the part of many to increase rather than diminish the burdens already incident to the agency business. So little Southern capital is invested in the business of fire insurance that we are almost entirely dependent on foreign companies for this protection, and it therefore behooves us to encourage the entrance of sound companies. Instead of this, States like Louisiana, Virginia and Mississippi have passed very harsh and onerous laws which make these States undesirable points in which to conduct business. Georgia seems anxious to emulate them, and by increasing the tax rate will drive out many solvent

and reputable companies. It is to be hoped that something like fair play will control the Legislature before it is too late.

Already warning has been given by the frequent retirement of insurance capital, and following the action of the two companies referred to there are likely to be others adopting a similar course. It costs insurance companies about 35 per cent. in expenses and taxes to maintain an agency plant. This leaves a very narrow margin of profit when it can be shown that the loss rate has been over 60 per cent. in a period covering the past seven years.

When asked as to his opinion of the anti-reinsurance bill, Mr. Tupper said:

There is nothing in the argument that the State or municipality loses its just share of taxes or license by the acceptance of large direct lines of insurance and the reinsurance of part of the same either here or abroad. Anyone familiar with the business knows that the State collects taxes on gross premiums, and does not permit either reinsurances or losses to be deducted. It is either ignorance of the law or gross misrepresentation that would seek to convey a different impression. What difference does it make to the State of Georgia if my company writes $10,000 on a given risk and some other company $40,000, provided each of us pays our pro rata share of the taxes levied by the State?

It is not always the large English company that wants to reinsure certain lines of business, for it is just as necessary for small American companies to do so, and there being more American companies than foreign, there is just that much more discrimination to be met. There is no possible argument that can be advanced which would weigh where the State is not involved, and it is a mistake to enact laws which only harass and embarrass capital without doing any possible good to the public. If the law is intended to be paternal in its effect and force insurers to divide up their business, then it should be defeated for this reason, if for no other.

The Chief of the Chicago Fire Department on the Modern Building as a Safeguard Against Fires.

(*Chief William Musham, in the Chicago Record-Herald.*)

I think the fire insurance companies are absolutely right in their new and determined purpose to make a sharp discrimination between the property owner that keeps his building up to the times and the one who allows it to decay and risks dangerous fire at all times. A modern constructed building, one like the new Field Building, the plans of which I understand have been inspected three times by the underwriters, is an economy to its owner, to the public and to the fire department. It pays. It may require a larger outlay of money at the time of its building, but in the long run it brings back all the extra cost and a profit to the man that owns it.

Chicago has a fire department about one-half the size it ought to be. It has about one-half the water protection in its business district that it ought to have. This is almost wholly due to lack of municipal funds and the rapidity with which the city has grown. Every honest building erected downtown is a new preventive of disastrous fire, and in that respect is an auxiliary of the fire department. You cannot burn the honestly built building down, nor have fire spread in it, except in some such conflagration as overtook this city in 1871. Every building constructed as the fire insurance companies now request and kept up in condition cannot have fire spread in it to any extent and can be saved by the fire department.

The recent Hooker paint and oil fire on the West Side was a fine illustration of how massive fire walls and modern construction aid a fire department, restrict loss and save neighboring property. Paint and oil are very dangerous when on fire, but the department, aided by the character of the building, kept the Hooker fire confined, saved blocks of property and perhaps many lives. Had the building been of the character of many in the manufacturing district there is no telling where that fire would have stopped.

A fire department composed of the kind of men in the Chicago department is going to do all within its power to check a fire, but there are points in the history of many large fires where if two departments were present it could not be checked. After the atmosphere in the neighborhood of a large fire is heated, after a favorable wind has caught the flames, after rotten floors, vast air shafts, thin brick walls and unshuttered windows have given the flames all the assistance they can, the fire is going to spread and defy the best of departments.

Nothing interferes so much with the progress of such a fire, or aids the department so much, as a big modern building that has been constructed according to common sense principles and the statutes. Fire balks in the presence of such a building. It has little to feed upon. Drafts are not provided for it. Solid walls and floors, iron shutters and sprinklers all do their part and the department completes the work.

So far as lies in its power the Chicago fire department attempts to supplement the work of the building department, and to co-operate with the underwriters, but probably the severest lesson that can be taught the property owner who will not keep his buildings in proper condition is by a sharp raise in his insurance rates. That strikes his pocketbook, and if he stops to think at all he must soon realize that it is cheaper to make improvements than to pay higher rates.

If the time once comes that between Randolph, Market, Harrison and State streets we have a solid array of modern buildings constructed for fire protection like the Marquette, the Reliance, the Masonic Temple, the Hartford and others, there is little danger of a great fire ever again sweeping the downtown area. I am not an alarmist, but I am afraid of the old-time building, standing by a modern structure, and whose owner refuses to make improvements. He literally breeds a fire trap. He not only endangers the firemen, but his own tenants. His building is an expensive proposition for the community from any point of view.

It would be a great thing for the protection of the commercial heart of the city if in time we could remove every fire engine to the outlying districts and have direct water pressure and hose lines for fire occasions. That is about all the protection the modern building needs, for it is very rare that fire in it gets out of the room in which it started.

Such fire protection as this, aided by comparatively low insurance rates for every building that complied with the regulations, would save an enormous sum of money annually. The insured would save through the infrequency in fire and the lowness of rates; the insurance companies would save through small losses, the fire department would save through lessened work and greater facility in handling any fire.

I hope the insurance companies will keep on with their work. It is certain to work great benefit in the end, although expensive now for the man who clings to the fire trap of bygone days.

The Sewer Gas Bugaboo.

(*The Medical Examiner and Practitioner.*)

We are all familiar with the term "sewer gas." Many ills have been attributed to it, and even now it is the bane of many persons, who lay it to many diseases. Sanitary plumbing has done a great deal to remove much of this fear; but even now many regard sewer gas as the chief causative factor in diphtheria and typhoid fever, notwithstanding the facts which go to prove that these diseases are always caused by specific and well-known bacteria. When we come to inquire into the real and true meaning of the term sewer gas, and to ascertain its nature, and to know the causes which produce it, we are at once convinced that all of the past and present fears of it are groundless. Sewer gas gives rise to no known disease that in itself is recognized as an entity, but like illuminating gas it will destroy life if present in sufficient quantity in the respired air. Indeed, most of the disagreeable and depressing qualities of sewer gas are in the main due to this same illuminating gas becoming mixed with the air in the sewers.

Sewer gas is merely a mixture of certain well-known gases, in varying proportion, according to the amount of decomposition of material in the sewers, and according to the amount of atmospheric air which can gain access to the sewers. The principal gases found in sewers are oxygen, nitrogen, carbon dioxide, carbon monoxide, ammonia, carbonate of ammonia, sulphide of ammonia, sulphuretted hydrogen and marsh gas. We all know that the three first-named gases are the normal constituents of the air we breathe; and it is only when the remaining gases are present in certain proportions that the air of sewers becomes dangerous, so we can readily see that when the atmospheric constituents are largely replaced by these gases we become conscious of them by the odors they cause. It is a well-known fact that persons who work in sewers are little or no more subject to disease than those who do not.

The most poisonous constituent of sewer gas is said to be carbon monoxide, which has probably escaped by leakage from the gas mains. The soapy lining of the waste pipes of wash-

stands is probably responsible to a large extent for the disagreeable odors often noticed in rooms. These are more disagreeable than dangerous; hence to avoid them proper ventilation of the traps is necessary. Sewer air which has been examined bacteriologically has been found to contain fewer micro-organisms than the air of the adjacent streets; and it has been stated on authority that the air of badly ventilated rooms, and particularly of school rooms and theatres, contains much more deleterious matter and many more disease germs than sewer air does.

The typhoid fever and diphtheria theories have been disproved by the fact that disease germs do not and cannot be taken up by the air in the presence of moisture; hence it can be readily understood that even should there be typhoid bacilli and diphtheria bacilli in the sewer, it would be a physical impossibility for them to be taken up by the air and conveyed through the sewer, drain and waste pipes into the rooms.

Air from sewers may cause headaches and impair our resistive power to such an extent that when we are attacked by the disease-producing bacteria, illness results. This is the only danger we can see in sewer gas, and the only way, it seems to us, that disease can be attributed to it. A wide open window in our bedrooms at night will so dilute any air that might possibly escape from the plumbing fixtures as to render it fit for any one to breathe. Many more deaths have been caused by want of ventilation than by all the sewer gas in the world.

Changes in the Massachusetts Insurance Laws Effected by Codification.

(*The Boston Transcript, November* 25.)

In common with various other special classes in the business world, insurance underwriters are interested to learn how considerably their interests are affected by the recently completed recodification of the public statutes of the State. During the score of years since the last codification the business of insurance has been amplified and extended to meet the new conditions of more complex business life, and the modification and extension of statutes has been the necessary result. These additions and changes had become so numerous that in 1894 the Legislature rearranged and consolidated the insurance laws in Chapter 522 of the Acts of that year, but even greater and more important changes have since been required. Nearly every session of the Legislature has been called on to enact either new or perfecting laws, until the code of 1894 has become obsolete and unsatisfactory.

COMMISSION'S INTELLIGENT WORK.

This condition seems to have been fully and intelligently met by the commissioners for consolidating and arranging the public statutes of the Commonwealth, whose work has just been confirmed and enacted into law by the Legislature. Inasmuch as the importance of insurance interests has compelled annual attention from the Legislature, there was little need of the amendment or enlargement of the statutes by the commission, and its work has therefore been almost entirely in rearranging and bringing into symmetrical relation the detailed chapters, and in some cases transferring certain enactments from the chapters on insurance to that on corporations.

A careful comparison of the laws now in force with the new statutes, which will become effective January 1, 1902, discloses the following as the changes which will be of interest to underwriters:

The insurance chapters in the new statutes are 118, insurance; 119, fraternal benefit corporations; and 120, assessment insurance, and considerable matter now in Chapter 522 appears under the two latter heads, while all the more recent legislation—the Dewey bill, the new fraternal law and the new law for the valuation of life insurance reserves—is harmoniously consolidated, while paragraphs that have become inoperative are eliminated.

THE REALLY NEW MATTER.

Included in the really new matter, which is all of a perfecting charter, are the following provisions:

A new duty is laid on the insurance commissioner, to transmit promptly to each registrar of probate and insolvency the names of all corporate surety companies which become qualified or cease to be qualified to do business in this Commonwealth.

With regard to the examination of insurance companies, the commissioner has been allowed discretion in responding to the petition of stockholders for examinations, the language of Chapter 522 being "whenever he deems it prudent to do so," but the new law says "he shall," etc., without qualification.

(*Continued on page* 310.)

Life Insurance Payments.

The following is the report of the life insurance companies doing business in the United States to THE WEEKLY UNDERWRITER of the death claims and endowments paid by them during the month of October, 1901:

COMPANIES.	Death Claims.	Endowments.	Total Payments.
Ætna Life	$191,588	$114,806	$306,394
Connecticut General Life	11,000	1,000	12,000
Connecticut Mutual Life	333,210	35,107	368,317
Equitable Life, Des Moines	36,183	2,229	38,412
Equitable Life, New York	1,174,189	194,751	1,368,940
Germania Life	58,200	24,873	83,073
Home Life	59,851	21,450	81,301
*John Hancock Mutual Life	243,201	1,050	244,251
Manhattan Life	81,426	9,538	90,964
Maryland Life	8,000	1,000	9,000
Massachusetts Mutual Life	129,483	15,706	145,189
*Metropolitan Life	880,040	.....	880,040
Michigan Mutual Life	29,681	15,265	44,946
Mutual Benefit Life	315,414	99,627	415,041
Mutual Life, Louisville	17,848	.....	17,848
Mutual Life, New York	1,400,181	353,680	1,753,861
National Life, U. S. A.	32,788	.....	32,788
National Life, Montpelier	67,743	11,250	78,993
Nederlands Life, U. S. Branch	10,000	.....	10,000
New York Life	1,230,878	.....	1,230,878
Northwestern Mutual Life	447,545	140,458	588,003
Pacific Mutual Life	.....	.....	.....
Penn Mutual Life	196,312	86,010	282,322
Phœnix Mutual Life	60,571	17,197	77,768
Provident Life and Trust	119,018	119,319	238,337
Provident Savings Life	67,500	943	68,443
†Prudential	595,320	.....	595,320
State Mutual Life	30,500	18,000	48,500
Travelers	90,028	23,900	113,928
Union Central Life	65,279	36,988	102,267
Union Mutual Life	34,290	9,356	43,646
United States Life	52,000	29,000	81,000
Washington Life	88,710	77,686	166,396
Totals	$8,157,977	$1,460,189	$9,618,166

* Partially industrial insurance. † Principally industrial insurance.

Payments Since Organization.

The following table shows the total amount reported paid on death claims and endowments, from their organization to October 31, 1901, inclusive, by the life insurance companies whose monthly lists are printed in THE WEEKLY UNDERWRITER:

Date of Organization.	COMPANIES.	Death Claims.	Endowments.	Total Payments.
1850	Ætna Life	$53,755,905	$23,347,281	$77,103,186
1865	Connecticut General Life	2,781,807	837,417	3,619 224
1846	Connecticut Mutual Life	109,480,608	15,397,039	124,877,647
1867	Equitable Life, Des Moines	809,864	227,373	1,037,237
1859	Equitable Life, New York	198,714,674	21,865,649	220,580,323
1860	Germania Life	25,250,226	8,063,425	33,313,651
1860	Home Life	11,817,281	2,706,376	14,523,657
1862	*John Hancock Mutual Life	23,614,023	1,870,134	25,484,157
1850	Manhattan Life	29,493,946	2,985,550	32,479,496
1864	Maryland Life	2,460,585	185,884	2,646,469
1851	Massachusetts Mutual Life	21,616,759	3,575,085	25,191,844
1867	*Metropolitan Life	94,477,602	554,716	95,032,318
1867	Michigan Mutual Life	4,999,223	2,912,045	7,911,268
1845	Mutual Benefit Life	94,255,908	8,843 112	103,099,020
1866	Mutual Life, Louisville	3,606,019	295,932	3,901,951
1843	Mutual Life, New York	[247,876,397	60,151,994	308,028,391
1868	National Life, U. S. A.	4,366,288	344,772	4,711,060
1850	National Life, Montpelier	10,646,637	1,250,926	11,897,563
1893	Nederlands Life (U. S. Branch)	1,010,560	.....	1,010,560
1845	New York Life	161,333,871	10,608 596	171,942,467
1857	Northwestern Mutual Life	59,621,274	14,632,956	74,254,230
1868	Pacific Mutual Life	4,746,513	1,134,837	5,881,350
1847	Penn Mutual Life	29,721,215	4 774,561	34,495,776
1851	Phœnix Mutual Life	22 342,823	4,703.152	27,045,975
1865	Provident Life and Trust	16 454,227	9,366.593	25,820,820
1875	Provident Savings Life	15,010,175	7,748	15,017,923
1876	† Prudential	52,550,230	67,617	52,617,847
1845	State Mutual Life	9,825,745	2,017,237	11,842,982
1866	Travelers	13,131,262	4,919,450	18,050,712
1867	Union Central Life	9,812,371	2,253 639	12,066,010
1849	Union Mutual Life	16,289,141	5,464,916	21,754,057
1850	United States Life	14,306,860	1,839,544	16,146,404
1860	Washington Life	17,825,833	6,142,115	23,908,948
	Totals	$1,384,005,852	$223,347,671	$1,607,353,523

* Partially industrial insurance. † Principally industrial insurance.

(*Continued from page* 309.)

Chapter 363 of the Acts of 1900, relative to the change of the basis of valuation of life insurance reserves, now appears in Section 11 of the new code, and Section 14 of Chapter 522, Acts of 1894, making the insurance commissioner the attorney for foreign companies and defining his duties as such, is now in Chapter 126, Section 5, relative to foreign corporations in general.

Section 19 of the new law is Section 57 of the old law, relative to overinsurance and to notices of fires to the fire marshal.

Section 20 includes Chapter 537 of the Acts of 1898, relative to reinsurance contracts.

In Section 22, general provisions for Massachusetts companies, the provision making the provisions of the chapter apply to domestic insurance companies, notwithstanding any provision of their special charters inconsistent therewith, if notice of the acceptance of this chapter is filed with the insurance commissioner is omitted.

Section 29 authorizes the organization of domestic companies for burglary insurance. Heretofore only foreign companies were so authorized, under Chapter 124 of the Acts of 1896. It also incorporates Chapter 296, Section 1, of the Acts of 1901, providing for insurance against loss by accidents to machinery, including use and occupancy of buildings, manufacturing plants, etc.

Section 30 of Chapter 522, on the procedure for organizing insurance corporations, is incorporated in Chapter 110 of the new code for the organization of corporations, but the sworn certificate of organization of an insurance company by the proper officers is to be submitted to the insurance commissioner instead of to the commissioner of corporations, as in the case of manufacturing and other corporations.

BOND PRIVILEGES INCREASED.

Section 34 adds the States of Minnesota and Missouri to the list of States whose legally authorized bonds may be held as investments by insurance companies. The bonds for municipal purposes, as the refunding bonds of the larger cities in these two States, are also admitted as investments, under the general restrictions, but the definition of "net indebtedness" of such cities, which is in the old law, is omitted.

Section 34 of the old law limited insurance company investments to bonds of railroads in the New England States, which are in possession of and in operation of their own roads. The new law provides for investment in the bonds of such roads, "whether such corporation is in possession of and operates its own road or has leased it to another railroad company," under the former conditions and restrictions. Investment in the stock of trust companies is also authorized under the general restrictions applicable to savings bank investment.

Section 43 of the new code covers the same ground as the same number in Chapter 522, on "permanent fund," but omits the definition of the phrase which is in the old section.

There are no changes in the code governing fraternal beneficiary corporations from the statute passed last spring as Chapter 422 of the Acts of 1901.

In the chapter on assessment insurance the only change from Chapter 363 of the Acts of 1900 is one allowing insurance against physical disability from sickness, which has heretofore not been included.

The provisions of the new code relative to life insurance cover the old matter, with the incorporation of the provisions of the "Dewey bill," which was enacted to facilitate the change of assessment life companies into old-time companies.

HANOVER

Agencies in all the Principal Places in the United States.

Fire Insurance Company OF NEW YORK.

COMMERCIAL UNION ASSURANCE CO.
LIMITED,
OF LONDON.
OFFICE:
Cor. Pine & William Sts., New York.

1825. THE 1901.
Pennsylvania Fire Insurance Co.
OF PHILADELPHIA.

Cash Capital,	$400,000.00
Re-insurance and all Liabilities,	2,771,038.56
Surplus,	2,163,883.97
Total January 1, 1901,	$5,334,922.53

R. DALE BENSON, Prest. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Prest. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

ÆTNA
LIFE INSURANCE CO.
MORGAN G. BULKELEY, PRESIDENT
Largest Company in the World doing Life, Accident and Health business
ASSETS, OVER . . . $56,000,000.
MOWRY and PATTERSON, Managers Life Department.
GEORGE C. STERLING, Manager Accident Department.
Continental Building, 46 Cedar Street, NEW YORK CITY.

Phœnix Mutual Life Insurance Co.
OF HARTFORD, CONN.
ORGANIZED IN 1851.

Assets, January 1, 1901	$13,278,711.73
Surplus at Four per cent	564,656.73

Total Paid Policy-holders over
—$42,500,000—

ACTIVE AND INTELLIGENT MEN WANTED AS AGENTS, with whom liberal contracts will be made. Desirable territory now open.
The new plans of the Company are brief, clear and liberal. Life and Endowment Policies have endorsed upon them definite cash, loan, and paid-up values, and in case of lapse, insurance is extended without action on the part of the insured.

J. B. BUNCE, President. J. M. HOLCOMBE, Vice-President.
C. H. LAWRENCE, Secretary.
NEW YORK OFFICE: WEED & KENNEDY, Managers, 149 Broadway.

THERE ARE FEATURES IN THE FIFTY-THIRD ANNUAL REPORT OF
The Penn Mutual Life Insurance Company
Of interest to all engaged in life insurance work.
A copy on request.
THE PENN MUTUAL LIFE INSURANCE COMPANY,
921-925 CHESTNUT STREET, - PHILADELPHIA.

Caledonian Ins. Co.,
FOUNDED 1805. of Scotland.
"The Oldest Scottish Insurance Office."
United States Head Office, 27-29 Pine Street, New York City.

STATEMENT JANUARY 1, 1901.

Assets	$1,910,617.66
Liabilities	1,101,382.62
Net Surplus in the United States	$809,235.04

CHARLES H. POST, U. S. Mgr. N. A. McNEIL, Ass't U. S. Mgr.

1846—1901.

THE CONNECTICUT MUTUAL LIFE

Insurance Company.

WHERE THE CONNECTICUT MUTUAL STANDS.

During all the long struggle out of which this situation has developed, and amid the many schemes devised to attract public attention and favor to something else than life insurance, the attitude and position of the Connecticut Mutual have never been doubtful.

It has held to the cardinal facts: Life insurance is for the protection of those dependent on a man's life; their dependence makes it his unavoidable duty. Those dependents we assume to protect by our contract, at his personal cost; our duty to them is to make that protection as large, as secure, and as certainly available to them as possible; our duty to him is to make its cost to him as small as possible.

JACOB L. GREENE, President.
JOHN M. TAYLOR, Vice-President.
HERBERT H. WHITE, Secretary.
DANIEL H. WELLS, Actuary.

THE STANDARD LIFE AND ACCIDENT INSURANCE COMPANY OF DETROIT, MICH. INCORPORATED 1884

LIABILITY, PERSONAL ACCIDENT AND SICKNESS INSURANCE

D. M. FERRY, PRESIDENT.
E. A. LEONARD, SECRETARY.
W. C. MAYBURY, MNG. DIRECTOR.

CASH CAPITAL, $250,000.00

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.
FOUNDED 1792.

Assets, January 1, 1901		$9,583,791
LIABILITIES—Reserved for Reinsurance and all other claims	$4,805,254	
Capital Stock	3,000,000	
Surplus over all Liabilities	1,778,537	$9,583,791

Agents in all the principal towns and cities.

CHARLES PLATT, President.
EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer.
BENJAMIN RUSH, Second Vice-President.
T. HOUARD WRIGHT, Marine Secretary.
JOHN B. ATWOOD, Assistant Secretary.

Offices in New York: Fire, William and Pine Sts.; Marine, 63 Wall St.

When Working for The Mutual Life...

You needn't introduce the Company—the Company introduces you. There you have it. You needn't take a minute or a word to prove where The Mutual stands or what it stands for. The whole world knows its masterful leadership—just as you know it yourself. But there are some things you may not know.

DO YOU KNOW

That **The Mutual Life** is especially helpful to agents?
That **The Mutual Life** writes the most liberal policies?
That **The Mutual Life** gives the highest guarantees?
That **The Mutual Life** has policies that meet every requirement of investment as well as of protection?

Look into these things. Take no one's say so, but investigate,

The Mutual Life Insurance Company

OF NEW YORK,

RICHARD A. McCURDY, President.

IT IS THE LARGEST FINANCIAL INSTITUTION IN THE WORLD.

Income in 1900, - - - $60,582,802.31
Assets January 1, 1901, - - $325,753,152.51

It has room for workers who are not rebaters. Address

GEORGE T. DEXTER,
Superintendent of Domestic Agencies,
NEW YORK.

EQUITABLE LIFE ASSURANCE SOCIETY'S NEW PURCHASE IN PARIS—ONE OF THE BEST SITES IN THE FRENCH CAPITAL.

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

VOL. LXV. SATURDAY, DECEMBER 7, 1901. No. 23.

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Checks and money orders should be made payable to the order of THE WEEKLY UNDERWRITER.

THE officers of the local fire insurance agents' national association are putting the multiple agency matter in a practicable form for handling, if it be true, as we hear from their Western headquarters that they will offer a reduction in commissions in exchange for sole agencies. When the proposed conference between the two powers comes off, as it is hoped by the agents that it may early in the coming year, the representatives of the association will have statistics to show that multiple agencies have been the cause of the largely increased cost of conducting the business in the localities where the practice obtains. To this end the association is sending a circular to its most responsible members in all cities having over twenty-five thousand population asking for information bearing upon this special point. The replies will undoubtedly be such that the representatives of the local agents can take into conference an authoritative declaration on the evidence that the reform for which they ask will be to the great advantage of companies and agents alike.

THE anomalous condition of insurance regulation in the District of Columbia has been succeeded by a full blown Government insurance department with the necessary machinery. As insurance was to be supervised it were better to have the labor performed by an official appointed for the purpose than by an assessor whose specific business is to see that valuations of property for taxation are high enough. The new department begins well, by securing for its chief one of the most competent persons in the United States to supervise officially the insurance business. Mr. Thomas G. Drake is the man and his willingness to be translated from the deputy superintendentship of the Ohio department to the care of the new department at Washington is a fortunate circumstance for the District of Columbia and a loss for Ohio. Superintendent Drake is an underwriter of over a quarter century experience and has learned the business both in the office and the field with a number of the leading companies. He brings to the discharge of his new duties ripe experience, sound judgment and administrative ability of a high order. And he has no antipathy for insurance corporations. He will have some work to do to get his department in good running order, but may be depended upon to accomplish the task with celerity and completeness.

No feature of the "American invasion" of Britain has been more pronounced than the business of our great life insurance companies there. That it has been able to grow mightily and to secure a foothold from which it will be difficult, if not impossible, for the British life companies to drive it, is due in a very large measure to their stubborn conservatism in the past. We have seen from time to time in the columns of some of our London contemporaries strong denunciations of American methods of business, such as the exploiting of tontine policies, the lavish offering of options and the promising of attractive bonuses, which, according to our esteemed cousins or their correspondents, were pitfalls and quicksands, in the direction of which no insurer could safely venture. That this view was held by the best British companies is undeniable, and meanwhile the "invaders" have pushed ahead and taken the business. How considerable is the change in opinion in the home offices that is now going on can be seen by the remarks attributed to the new president of the Actuarial Society of Glasgow at a recent session. It is admitted that the policy pursued by the British companies was a mistake, because it failed to discern the existence of a want; one which the Americans were shrewd enough to recognize and supply. Said Mr. Ridge:

> I have heard that one of the great secrets of American success in opposing British trade in the markets of the world is the readiness of the American manufacturer to adapt his wares to local needs and desires. He finds out what suits the buyer and produces that article, while the British manufacturer, on the other hand, insists on selling an article of the quality and shape that is popular at home, and will not take the trouble to meet any special or peculiar demand. He presumes that what suits John Bull must be good enough for everybody else. It is perhaps this feature of American enterprise that has enabled American insurance companies to gather together such an enormous business in Britain in face of the competition of the best British companies. The Americans offered a kind of policy that appealed to the accumulative and sometimes also to the speculative instinct of man, and it met with immediate success.

Consequently British companies, to save themselves from falling hopelessly behind in the competition, have been obliged to conform to American methods of getting business. Many of them are liberalizing their policies, cultivating the endowment and investment field and emulating the Americans in the variety of their options. That they believe now that this can be safely done must be evident, for they would not adopt changes without the consent of that very careful and deliberate person, the British actuary.

THE *Guardian* contains an article, evidently from the pen of Mr. Eldridge, entitled "Mr. Wolfe and His Friends," which begins with the observation that "certain publications" are making a demand for a "thorough, genuine and competent examination of the Association to cover the entire period of its existence, thereby implying and all but directly charging that such an examination has never taken place." We presume that this publication is among those which Mr. Eldridge has in his mind. If it is not we assure him that the contemporaries to which he refers express the belief of this publication very thoroughly in their statement. On the other hand he is in error as to any of the

papers which believe a "drastic" examination of the Mutual Reserve Fund is necessary, when he says that they think there is but one man capable of making such an examination. So far as this paper is concerned it concedes that there are many competent and honest persons who could perform the service, but it is sure that there is not one of them more so than Mr. Wolfe, and we believe that Mr. Eldridge thinks the same way notwithstanding the injurious imputation he makes against him when he says in the same article from which we have quoted:

Mr. Wolfe's public work as an examiner is a matter for public criticism, as is that of every examiner in the land. We do not think that it has always been wise, and we believe that in one case, at least, in which his report has never been given to the public, it was made the basis for an exorbitant and outrageous exaction from the examined company as the price of a favorable report to which that company was on merit entitled to.

If this is not a direct charge of improbity against Mr. Wolfe, then written words cannot express thought, and yet we learn that when that gentleman requested the writer of the accusation to enlighten him as to the name of the company connected with the incident to which he referred, the following reply was made:

NOVEMBER 27, 1901.

S. H. Wolfe, Esq., Consulting Actuary, 27 William street, New York City:

DEAR SIR—In reply to your favor of the 26th inst., I beg to say that the sentence quoted by you from an article appearing in the November issue of this journal does not, and was not intended to, impute to you any share in the transaction referred to. This is clear from the quoted portion itself, and still more clear from the other parts of the article. The *Guardian* has never knowingly questioned or intended to question the integrity of the work done by you as an examiner, and I do not think that better evidence of this fact could be had than the article from which your quotation is made.

Under these circumstances, while it is my desire at all times to act on the principle of fair play and justice, it does not seem to me that this purpose at this time requires any further specification in the matter referred to. Very respectfully yours, GEORGE D. ELDRIDGE,
Editor the *Guardian*.

We trust that *Insurance* and the other paid claqueurs of the Mutual Reserve Fund, who pretend that Mr. Eldridge "speaks up generously in defense of Mr. Wolfe" in his recent article in the *Guardian*, will also publish his disclaimer of thinking evil of Mr. Wolfe.

Facts and Opinions.

IN the case of Broome against the Farmers Fire in the Appellate Court of New York, at Kingston, November 22, Justice Hirschberg decided an interesting case involving non-occupancy of a dwelling house. The policy in question read: "Or, if a building herein described, whether intended for occupancy by owner or tenant, be or become vacant or unoccupied, and so remain for ten days." Charlotte M. Broome, of Sullivan County, owned a house in which she resided and on which she had taken from the Farmers Fire insurance company a policy of insurance. Mrs. Broome closed her house on Thanksgiving Day, 1898, went to Philadelphia, and remained six months, saying nothing to the insurance company concerning it. The house remained intact when she returned in the spring, and all went well until later the house, being then occupied by her, was destroyed by fire. The company declined to pay, and she brought suit for the amount of the policy. The company was beaten in the lower court, and an appeal was taken. It was on this appeal that Justice Hirschberg wrote the opinion, in which he said:

Under the circumstances, it would seem clear that by the express terms of the policy it had become void before the fire, and that in the absence of proof or waiver or a consent on the part of the insurer to a continuance of the risk, no recovery could be lawfully had upon the contract.

Justice Hirschberg also decided that the defense was not affected by the fact that Mrs. Broome returned to the house before the fire, or because the risk may not have been increased by her absence. The policy was void prior to the return for non-fulfillment of the contract on her part.

"TWISTING" in life insurance agency practice is by no means unknown in England. Indeed, it is troublesome enough to have provoked a condemnatory article in the London *Commercial World*. One of the chiefest of sinners is the Salvation Army, which has a life insurance department, whose members are engaged in soliciting business for it. Our contemporary says:

Cases are frequent where policy-holders of other companies of fifteen years' standing and upward have been persuaded to come into the Salvation fold, and in some districts canvassing, we are told, is largely confined to policy-holders of existing concerns. To this end the greatest pressure is employed. No scruple is made as to employing scurrilous attacks in pamphlet form when such are available, substantial shares are guaranteed in the profits which it is hoped to make—the vague promises to this effect made in the earlier prospectuses still await fulfilment—but when all this fails, it is on record that some of these enthusiastic Salvation agents actually go down on their knees and ask God to open the assurers' blind eyes that they may perceive the great sin of paying to worldly institutions, and that their hearts may be turned to the Army Assurance Company for the Advancement of Christ's Kingdom and the Salvation of Souls. We are assured that this procedure is not at all uncommon, and that policy-holders are in some cases absolutely frightened into acquiescing to the proposition put before them. Of course, the managers of this particular institution have their own opinion as to the nature of the work they are doing, and are, therefore, not likely to take heed of what we are about to state. Be that as it may, however, we assert that the kind of thing we have been dealing with savors, if looked at in the proper light, of rank and profane hypocrisy. It is the Jesuitical creed of the end justifying the means carried out to the bitter end, and is not only repulsive to the ordinary type of honorable men, but, as we regard it, diametrically opposed to the true principles of Christian religion.

A REPORT was current in Louisville this week that the Southern agency of the Royal insurance company of Liverpool, now held by Barbee & Castleman, would be shortly transferred to former United States Manager Dargan, of the Lancashire insurance company. The Louisville *Commercial* of Tuesday said:

Though the rumor was denied last evening by Mr. Arthur Langham and Mr. Breckinridge Castleman, it comes from a source which seems reliable. Color is lent to the affair by the fact that the Royal insurance company a short time ago assumed the risks of the Lancashire. Mr. Dargan is at present in New York, but it is said he will reach Louisville in a short time, and that the transfer will take place about the first of the year. The local agents are Col. John B. Castleman, Mr. Arthur Langham and Mr. Breckinridge Castleman. Mr. John Barbee, who was associated with Colonel Castleman, died a number of years ago. The business of the Royal insurance company has been in the hands of Barbee & Castleman for a number of years, and they have been very successful in its management. The company is doing by far the largest share of the Southern business, and there is no apparent reason for the change, save that it is desired to find a place for Mr. Dargan. Mr. Arthur Langham was seen in regard to the matter, and said that such rumors had often been in circulation, but that nothing had ever come of it, and he was positive that no change would be made at present. Mr. Breckinridge Castleman also entered a strong denial of the rumor.

THE proposed Iowa valued policy bill was the topic of discussion at the annual meeting of the Association of Iowa Mutual Fire Insurance Companies at Des Moines last week. Mr. William Mather read a paper on the subject, in the course of which he said:

The cost of insurance should depend upon two things. First, the amount of loss or damage. Second, the legitimate cost of the management according to the plan of insurance. One of the most prolific and dangerous methods of adding to the losses is the moral hazard of over-insurance. Another is the faulty construction of buildings and improvements. Those favoring the valued policy laws claim that such will prevent the over-insurance of buildings, but the trial of such laws by several States proves that such laws foster unnecessary fires, and to pay for such luxuries a large increase in the rates to the honest insurer is required. The Legislature of Iowa has many times rejected such a bill, and let us work to prevent the passage in the future of a valued policy law that will surely bring disaster and place a heavy and unjust burden on honest insurers.

Mr. Mather's views were combated by several speakers, among them being Mr. Yuill, who offered a resolution favoring

the passage of a valued policy law by the next Iowa Legislature. It was defeated by a two-thirds vote.

THE Fidelity and Casualty insurance company is the defendant in a case which is to be tried in the United States Circuit Court of Appeals in New York next month. Hobart H. Miller, of Philadelphia, took out an accident policy for $5,000. Later he was taken ill with appendicitis. He was well on toward recovery when he ate some cooked beans. The next day he died from cramps. An examination showed that the beans had ruptured his intestines. Now his mother, Mrs. Anna H. Miller, is suing the company for the amount of the policy. The company contests on the ground that death was due to natural causes following the weakening of the internal organs due to typhoid fever. Judge Wheeler, in the United States District Court, holds that sufficient facts are set out in the complaint to make a cause of action, and it will be for a jury to decide if food taken in a natural way can cause, after it is handled mechanically by the stomach, death accidentally. There is no precedent for the action in this case.

A CORRESPONDENT, who signs "Horse Sense" as his *nom de plume*, sends us the following with a request for publication:

The *Journal of Commerce* in its issue of November 7 cites the cases of Hammond & Dold's packing houses having sought insurance all over the world, and speaks of there being no reason for writing such business below cost. Do not these cases and hundreds of others that might be brought forward suggest the desirability of placing all such target risks that *seek* insurance on a 5 per cent. or 7½ per cent. commission basis? In the old days, when 15 per cent. secured all kinds of business, it was fair to pay 15 per cent. for targets and let agents have a good average, but now that preferred business gets a preferred commission to meet the non-boarder (or other cause) who don't want the targets, companies owe it to themselves to reduce commissions on business that *seeks* their offices. If the assured wants some one person to look after his insurance business let him pay him, the same as he or we have to pay for other things we want. Let us stop supplying ammunition to the broker-agent (he gets most of it) on target risks. We hear a great deal about the low rate trouble, but should hear more about high expenses. Here is a chance to make a beginning.

ADVICES to the *Journal of Commerce* from Chicago say that it has been formally decided to extend the jurisdiction of the Western Union to Nebraska, and notices were issued to companies yesterday that the rules would take effect in that territory on February 1, 1902. "The courts recently held that the anti-compact and anti-commission agreement laws were unconstitutional, and since that time the question of Union jurisdiction has been quietly discussed. The application of graded commissions to Nebraska is expected to meet with some resistance on the part of some of the companies who are unanimously paying 15, 20 and 25 per cent., irrespective of the company representation in the various offices. To reduce mixed agencies to a 15 per cent. basis will doubtless prove troublesome, and companies expect a strong resistance from agents and field men."

THE building of the Queen insurance company at the corner of Cedar and William streets, New York, was sold last week to Dumont Clarke, president of the American Exchange Bank, who, it is understood, represents the Mutual Life insurance company, which already owns the larger part of the great block of which the Queen Building is a part. The selling price is not stated, but the property was valued by the late owner in its last annual statement at $720,164.73. The Queen will continue to use its present offices in the building, having taken a lease of them for ten years. The company was induced to sell the property because by the transfer an excellent profit on its original investment was realized. The ultimate intention of the Mutual Life, it may be presumed, is to cover the entire block.

FIRE insurance companies are growing more rigorous in their underwriting rules as the end of the year draws near, says our Chicago correspondent, and local agents are complaining that what were formerly regarded as choice risks are now frequently turned down, and that they are kept busy running from their customers to their offices to take up one policy on a cancellation notice and replace it with another, only to have that ordered up in a few days. Another evidence of underwriting caution is the recent discovery of many companies that they have all they want, and some of them more, in the congested district of Chicago. A number have declined to increase their liability in that section for the present and many are trimming their holdings.

A BITTER fight is brewing for this winter for the Iowa Legislature over fraternal insurance rates. The National Fraternal Congress wants a bill passed providing that no fraternal society can use a table of rates below that specified in the bill. The Associated Fraternities of America, the opposition organization, composed of the younger orders, will object on the alleged ground that it is unjust, because the newer societies that have laid up a reserve fund and are thus enabled to grant lower rates will be obliged to advance their charges of admission to accommodate those societies that have no reserve. Lobbies will be secured by both factions. It is reported that the Modern Woodmen of America, one of the older orders, will also oppose the fixed rate.

NEWS has reached London, says a cable dispatch, that in response to the pressure brought to bear by American and British companies Germany has made a concession in connection with the new insurance law, which comes into force in January. It is to the effect that companies which want to retire will be considered practically non-existent and will not be compelled during the process of liquidation to conform to the conditions of the drastic new measure. This insures the German Government not taking over such assets and liabilities of these companies as were under governmental control, the probability of which had previously greatly exercised foreign insurance interests in Germany.

VERDICTS for the plaintiff were returned in the United States Circuit Court at Boston on Thursday against five different insurance companies. The suits were brought by John S. Fuller, trustee in bankruptcy of Charles E. Coulander, against the Fire Association of Philadelphia, Niagara Fire, Aachen and Munich, Baloise and the Millers' National, the first four being to recover on policies of $2,500 each, and the last one on one for $3,000. The policies were on mill property at Stockbridge, Mass., which was destroyed by fire March 10, 1900. The verdicts are for the plaintiff for $2,373 against each of the first four companies and for $2,848 against the last one. The cases probably will be appealed on questions of law.

A SPECIAL dispatch from Meridian, Miss., to the *Journal of Commerce* says that the Board of Trade and Cotton Exchange of that city have passed resolutions calling upon the Governor of Mississippi to incorporate in his message to the Legislature the subject of repeal of the present hostile insurance laws of that State. These laws, the business men of Meridian claim, have caused the fire companies to cut down their lines and many of them to withdraw from Mississippi; and now, in many cases, it is almost impossible for business houses to get insurance. Lack of fire insurance protection is hampering them in the conduct of their business.

IN the United States Supreme Court on Monday the motion in the case of the Connecticut Mutual Life, petitioner, against

Sallie E. Hillmon "that one of the printed copies of the record in this cause from the Circuit Court of the United States for the District of Kansas, as printed under the supervision and direction of the clerk of the United States Circuit Court of Appeals and presented on the application for certiorari, together with the transcript now on file of the proceedings had in the Circuit Court of Appeals, may be taken and stand as a return to the writ of certiorari issued herein" was granted without prejudice.

THE work of examining the United States branch of the Frankfort Marine Plate Glass and Accident insurance company was completed this week, and William H. Brown, of the Massachusetts Insurance Department, returned from New York to Boston Thursday night. The report of the examination will be put together by the Massachusetts Insurance Department, and on approval by Mr. S. H. Wolfe, acting for the Minnesota department, it is expected to be ready for publication, subject, of course, to the discretionary power vested in the departments which made the examination.

THE managers who have been clamoring for more rate increases in Chicago are expected to be satisfied at the January annual meeting of the Chicago Underwriters' Association. The classification committee is at work on several new schedules on classes which have proved unprofitable. In addition to these, the new schedule on single occupancy manufacturing risks, affecting many millions of insurance, will go into effect January 1, and Manager Glidden will have a new schedule ready on large flat buildings, which will materially increase their rate unless of superior construction.

AT the annual election by the stockholders of the Empire City Fire insurance company of New York on Monday the old administration was sustained by over a three-fourth vote, and President Lindley Murray was re-elected by the directors. A party of brokers, headed by the noted Theodore H. Price, has been striving to buy a controlling interest in the company, but succeeded in obtaining only about 200 shares of stock. The party was represented at the annual meeting by an attorney, who protested against the proceedings.

COMPANY objections to the inadequacy of packing house rates, as emphasized by the numerous losses during the past few months, are finding an outlet in protest against the rate on the Cudahy plant at Omaha, over which there has always been trouble with the local agents. The line is being placed with a new general form policy, and so many companies are declining to write it at the present rate that it may be impossible to cover it. Many of the companies are standing out for an adequate rate.

THE annual meeting of the Indiana State Board of Fire Underwriters was held at Indianapolis, November 29, and resulted in the election of the following officers: President, L. H. Wolff; State agent of the Royal; vice-president, Danforth Brown, State agent of the Ætna; secretary, J. T. Ashbrook; executive committee, A. R. Monroe, special agent of the Queen; E. C. McCauley, State agent of the Indianapolis Fire, and H. F. Waterman, special agent of the Northern Assurance.

AT last Saturday's meeting of the New England Insurance Exchange the report of the executive committee, recommending the formation of a new committee, to be known as the Scheduled Risks Committee, was adopted. The recommendation was printed in full in our issue of November 23. The next step to be taken is the appointment of the members of the new committee, which devolves upon the executive committee. The selections to be made will be looked for with interest.

THE United States Court of Appeals at Cincinnati on Tuesday reversed the judgment of the District Court in Kentucky in the case of J. S. Phelps and others against the Mutual Reserve Fund Life Association. Judge Evans, of the Kentucky district, had granted an injunction against a receiver appointed by the State court, holding that the State court had no jurisdiction. The Court of Appeals reversed this judgment and dissolved the injunction.

A BILL was filed in the Superior Court at Chicago on Thursday by the Western Fire, Marine and Plate Glass insurance company, asking for an injunction to restrain the Illinois Insurance Department from interfering with its business on the ground that it is an "old charter" company. This is a counter move to prevent Superintendent Yates from making an examination.

THE New York Life insurance company has established a fifth branch office in Boston, which is located at No. 10 Milk street, and will be known as the Commonwealth Branch. Mr. Corwin MacDowell has been put in charge of the new office as manager. The office was opened on December 1, and a large number of active agents is already reporting to it.

THE Minnesota Insurance Department is looking after that State's share of the taxes on the Northern Pacific Railroad line written by the Western Railway Syndicate through the National Fire of Hartford. It proposes to reach the companies in the syndicate through the resident agent law, as the policies must pass through the hands of the local agents.

THE insurance committee of the Denver Chamber of Commerce has sent a protest to Mayor Wright against his policy in cutting down the appropriation for the fire department, and asks for $67,000 in addition to the $155,000 he is willing to allow. They claim that only one dependable steamer is in use and that Capitol Hill has little protection.

THE agents at Houghton, Mich., where the Calumet and Hecla mines are located, are sending circulars to the companies which they represent, asking them to co-operate with the agents in the enforcement of the resident agent law by declining to issue policies on property there except through their regular local representatives.

CHICAGO managers are still complaining of affairs at Kansas City. One of them went out there last week to see if conditions were really as bad as had been reported, and found that for three hours on the day of his arrival the entire downtown district was without water, the supply being shut off while a valve was being repaired.

THE executive committee of the Illinois State Board met on Monday to prepare its report for the semi-annual meeting to be held December 10. Most of the rate troubles in the State have been settled and the towns where there had been demoralization are now reporting through neighboring stamping offices.

THE Supreme Court of Alabama, in the case of Robinson against the Ætna insurance company, held November 20 that "the conditions in a policy of insurance prescribing duties upon the assured should be liberally construed in favor of the assured and strictly against the insurer."

IT is reported that the examination of the Vernon Insurance and Trust Company, of Indianapolis, by Actuary Fitch of the Indiana Insurance Department, has revealed an impairment,

and an effort is being made to induce the stockholders to make up the deficiency.

THE *Insurance and Commercial Magazine* appears this month with a new and artistic cover and improvements in typography and make-up, all of which reflect credit on the good taste of the editor.

THE Mutual Life insurance company of Illinois, a new Chicago corporation, is requesting application blanks of the departments of various States for admission on a legal reserve basis.

THE Massachusetts and Connecticut Insurance Departments will make a joint examination of the Royal Arcanum at its Boston headquarters office, beginning on next Monday.

THE master builders of Springfield, Mass., are contemplating the formation of an accident insurance company, which is to insure the lives of their employees on monthly premiums.

THE Baltimore Mutual Life and Annuity has been shut up by Insurance Commissioner Wilkinson, of Maryland, for failing to make the deposit with the State required by law.

THE business of the Svea in the Southern States, including Missouri and Tennessee, has been reinsured in the Greenwich by Intermediary Ballard.

THE Isthmus Lloyds of New York, one of the few remaining organizations of this class, has decided to discontinue business.

A SEPARATE insurance department in Iowa is favored by State Auditor Merriam, whose office now supervises insurance there.

THE Insurance Company of the State of Pennsylvania has withdrawn from business in Maryland.

THE National of Ireland has pulled out of St. Louis, Mo.

Personal

AGENCY APPOINTMENTS.

Ætna Indemnity of Hartford: Percival C. Lincoln, Taunton, Mass.

Agricultural: Earl & Briggs, Taunton, Mass.

American Central of St. Louis: S. W. T. Hopper & Sons, Baltimore, Md., sole agents hereafter.

Glens Falls: Clarence A. Briggs, Taunton, Mass.

London Assurance Corporation: Harry R. Bush, of Louisville, special agent for the Southern States from January 1.

Manchester Fire: Robert Lawton, Fitchburg, Mass.

Niagara Fire: Trezevant & Cochran, of Dallas, general agents for Texas.

Phenix of Brooklyn: Frank S. Hamlin, Haverhill, Mass.

Provident Life and Trust of Philadelphia: Laughton A. Ellis, of Kansas City, general agent for Western Missouri.

Provident Savings Life: Curtis J. Hebert, manager for Tennessee, with headquarters at Nashville.

Queen: Fred. W. Schafer, Missouri State agent from January 1.

Reading Fire: Baldwin & Frick, of Baltimore, general agents for Maryland.

Scottish Union and National: Cunningham, Coale & Co., Baltimore, Md., sole agents.

Mr. Thomas E. Drake, the newly appointed Superintendent of Insurance of the District of Columbia, is a native of Ohio and was born at Waldo, in that State, July 22, 1852. He has had considerable experience in the insurance business, having been connected at various times with the Union Central Life of Cincinnati, as an office employee; Charter Oak Life of Hartford, as Ohio, Indiana and Kentucky manager; Provident Savings Life, as Chicago assistant manager; Ætna Life, as associate manager for Iowa, Minnesota and the Dakotas; New England Mutual Life, as manager for Northern Ohio, and John Hancock Mutual Life, as superintendent of agencies for Ohio, and afterward at the Boston office. He was called to the deputy insurance superintendentship of Ohio in June, 1900, which position he has just resigned to go to Washington.

Mr. Chauncey O. Ransom, who has been engaged on the *Standard* the past few years, has accepted a position at Cleveland, Ohio, in the Ohio State agency of the Fidelity and Casualty Company. Mr. Ransom is the son of the editor of the *Standard* and grandson of Col. Chauncey M. Ransom, the founder of that journal, and has inherited his ancestors' fine characteristics. He has made many friends among underwriters and his associates in insurance journalism in his newspaper work, who will all join in wishing him a happy and prosperous future.

Mr. Arthur B. Abernethy, the well-known New York life insurance agent, died in London November 26, while making a European trip for his failing health. He was a native of Hartford, where he was born in 1861, and for some years connected with the Phœnix Mutual Life. Later he became a general agent of the Equitable Life in New York. He leaves a wife and son.

Mr. Alfred Gwynne Vanderbilt has been elected a trustee of the Equitable Life Assurance Society of the United States in place of James A. Dunham, deceased. Mr. Vanderbilt is a close personal friend of Vice-President James H. Hyde, and, it may be presumed, entered the directorate at his suggestion. The society is a large investor in Vanderbilt properties.

Mr. H. J. Straight, whose name is historic in Chicago insurance annals, has retired from the agency business in that city, which he has conducted since 1874, having sold out his interest and good will to Holger De Roode and Robert W. Faulkner. Mr. Straight will devote himself hereafter to the business of the Merchants' Exchange.

Mr. J. A. Kelsey, the United States manager for the Aachen and Munich, has resigned from the governing committee of the Western Union on account of the pressure of business, and Charles E. Dox, Western manager of the Orient, has accepted the vacant place.

Col. C. M. Ransom's condition has not changed materially during the week. He lies very ill at the Hotel Bartol, on Huntington avenue, Boston, and is very weak indeed, and it is feared that the end may come at any moment.

Mr. John T. Braser, of Lancaster, Ohio, has been appointed chief deputy of the Insurance Department of Ohio, succeeding Mr. Drake, who has been appointed Superintendent of Insurance for the District of Columbia.

Mr. Frederic R. Galacar, now New England special agent for the Union of London, has been appointed special agent of the National Union Fire of Pittsburgh for the same field.

Mr. J. Lowman McDowell, fire insurance agent at Elmira, N. Y., for the past thirty years, died from the effects of an apoplectic stroke November 21, aged seventy-nine years.

Mr. E. E. Towley, insurance agent at Cincinnati, died at Wyoming, Ohio, on Wednesday, from cancer of the stomach, from which he had been suffering for over a year.

Mr. John M. McCandlish, fifteen years ago one of the most prominent British fire insurance managers, who retired in 1890, died November 10, aged eighty-one years.

Mr. C. Edward Buckland, of Glastonbury, Conn., has become associated with Charles E. Shepherd in the management of the Hartford agency of the Ætna Life.

Mr. Stephen French has resigned the special agency of the Niagara Fire in the South from January 1, and will resume his residence in Texas.

Messrs. Trezevant & Cochran, of Dallas, are to have the Texas general agency of the Niagara Fire insurance company from January 1 next.

Insurance Legislation.

Complete copies of all important bills in the legislatures affecting insurance are on file in the office of THE WEEKLY UNDERWRITER.

United States Congress.

Mr. Pritchard, of North Carolina, introduced in the Senate on Monday numerous proposed amendments to the District of Columbia Code of Laws, which goes into effect January 1, 1902. The following amendment relates to life insurance transactions:

Each life insurance company, benefit order and association doing a life insurance business in the District of Columbia shall deliver with each policy issued by it a copy of the application made by the insured, so that the whole contract may appear in said application and policy, in default of which no defense shall be allowed to such policy on account of anything contained in, or omitted from, such application.

Georgia.

ATLANTA, Ga., December 4.—The Valued Policy bill was laid on the table in the House this afternoon by a large majority. While this does not necessarily dispose of it finally it indicates that the bill cannot pass. Mr. Egleston, member from Atlanta, and the Southern general agent of the Hartford Fire, was speaking effectively against the bill when the motion to lay on

the table was made, and undoubtedly was the chief instrument in arousing the large majority in favor of the motion.

The Slaton bill, requiring the life companies of foreign countries to make a deposit of $100,000, has passed a third reading in the house.

Miscellany.

The Correspondence of Commissioner Folk, of Tennessee, with the Mutual Reserve Fund Life Association.

Insurance Commissioner Folk of Tennessee has sent us copies of his letters to the Mutual Reserve Fund Life Association in reference to the matters pending between the department and the association prior to its withdrawal from the State.

The first of these letters was in reference to the agreement which appeared to have been entered into by the association through its attorney, ex-Senator Turley, and the department, and was as follows:

NASHVILLE, Tenn., November 11, 1901.

Mutual Reserve Fund Life Association, New York, N. Y.:

GENTLEMEN—I am in receipt of your letter of October 29, sent through your attorney, Hon. Thos. B. Turley. I note the statement and agreements which you make. I am also in receipt of a letter from Senator Turley, in which he agrees that the Carpenter case, involving the question of your acts in transition from assessment to a legal reserve basis, shall not be transferred to the Federal Court, but be allowed to have final adjudication in the State courts.

Mr. Turley also writes on the question of an examination of the association by this department, stating that Mr. Eldridge, vice-president of the association, has written to him on the subject. I deem it advisable, as I have stated to Mr. Turley, your attorney and to your representative, Mr. King, in view of the expressions of inquiry and dissatisfaction from interested parties in this State, that an inquiry into alleged matters of discrimination and an examination into the acts and affairs of the association should be made by this department. It is entirely agreeable to me to co-operate with the New York department, and if the New York department purposes beginning an examination in the near future. If co-operation of this department should not be agreeable to the New York department, or if the examination by the New York department should not begin within the immediate future, I shall order an independent examination, and I write this to give formal notice to that effect, and also to say that representatives of this department will present themselves to the association on the 25th of November to begin the examination. This date is subject to change in accordance with what appears above in relation to the New York department.

I am, respectfully yours, REAU E. FOLK,
Insurance Commissioner.

Vice-President Eldridge's reply to this, dated November 14, 1901, was published in our issue of November 23. The following was the response to it by Commissioner Folk:

NASHVILLE, Tenn., November 18, 1901.

Mr. George D. Eldridge, Vice-President, New York, N. Y.:

DEAR SIR—I hereby acknowledge receipt of your letter of the 14th inst., announcing withdrawal of the Mutual Reserve Fund Life Association from the State, which is in reply to my letter of November 11, notifying you of my intention to begin an examination of your association on Monday, November 25.

Your withdrawal comes as a matter of much surprise. I had no other thought than that the agreements arrived at between this department and your counsel in this State, Hon. Thos. B. Turley, and your special representative, Mr. King, were entirely satisfactory.

I have carefully noted the reasons which you give for your withdrawal from the State. These reasons, in brief, seem to be that you assume, by interpretation of my letter and from some newspaper statement, that I undertook to place upon you the absurd and impossible demand that the decision of the courts of Tennessee, in a certain case now pending therein, should be binding beyond the jurisdiction of said courts. I hardly feel that it is necessary for me to say that no such preposterous thing was ever contemplated by the department. I am at a loss to understand how, with your experience in legal matters, you could be able to arrive at such a conclusion. I was desirous that the Carpenter case, or some other case involving the same questions, should be decided by the Supreme Court of this State in order to obtain from this tribunal a decision for the guidance of this department in dealing with this question. Your attorney, Mr. Turley, thoroughly understood this matter, as is evidenced by a letter from him under date of November 1, a copy of which I inclose herewith.

I quote from your letter just received: "In addition, I have instructed our attorney not to remove the Carpenter case to the Federal court. * * You will not, of course, for one moment claim that a decision of the courts of Tennessee, sustaining the acts done in such transition, even if they could be submitted to the courts in advance of their taking place, would be binding upon a member of the association, or would bar him from resort to any court to which he has right." In the first clause quoted you acknowledge that you have agreed that the Carpenter case shall be decided by the Tennessee courts; in the last clause it plainly appears by your own admission that you yourself recognize that I would not assume to make the absurd demand upon which later in your letter you base your ground for withdrawal.

In closing the incident to which I have given several months of patient consideration, being desirous of fully protecting the interests of those concerned in Tennessee, and at the same time giving as little inconvenience as possible to the association, I desire to congratulate you upon the ability and fidelity with which your attorney, Mr. Turley, has looked after your interests.

Yours very truly, REAU E. FOLK,
Insurance Commissioner.

The rejoinder of Vice-President Eldridge, dated November 27, was published in our issue of November 30.

In a letter to THE WEEKLY UNDERWRITER, in connection with the transmission of the above, Commissioner Folk says, in part:

The interpretation of Mr. Eldridge upon my demand with reference to the Carpenter case was foreign to what was contemplated by this department. This case involved the question of various acts of the Association in preparing to go from an assessment to a legal reserve basis. Many policy-holders have complained to this department of the injustice of the acts of the Association. It was my desire to have a decision regarding these questions from the Tennessee State courts for the guidance of this department. Mr. Eldridge seems to have misinterpreted the demand that the Carpenter case be allowed to go through the State courts into a requirement that the Association agree to be governed in all of its acts towards all of its certificate holders by the decision of the Tennessee courts.

As stated above, no such demand was ever contemplated by this department, nor was such an interpretation placed upon the agreement by the Association's attorney in this State. However, Mr. Eldridge is entitled to his own interpretation, and his withdrawal from the State leaves no ill will against the Association in the Tennessee Insurance Department. I hope the Association will successfully accomplish its enormous undertaking.

Standing Committees of the National Association of Insurance Commissioners.

President William H. Hart, of the National Association of Insurance Commissioners, announces the following standing committees of the association to serve until after the next annual convention:

Laws and Legislation—H. D. Appleton, New York; F. L. Cutting, Massachusetts; Reau E. Folk, Tennessee; John C. Linehan, New Hampshire, and J. V. Barry, Michigan.

Miscellaneous—Lloyd Wilkinson, Maryland; S. W. Carr, Maine; George W. Marshall, Delaware; Ed. McDaniel, Alabama, and Leroy Grant, Wyoming.

Rates of Mortality and Interstate—J. J. Brinkerhoff, Illinois; Elmer H. Dearth, Minnesota; F. L. Cutting, Massachusetts; S. W. McCullough, Pennsylvania, and James R. Young, North Carolina.

Blanks—F. L. Cutting, Massachusetts; H. D. Appleton, New York; S. W. Ferguson, Maine; A. I. Vorys, Ohio; Elmer H. Dearth, Minnesota, and J. J. Brinkerhoff, Illinois.

Unauthorized Insurance—J. V. Barry, Michigan; Jefferson

Johnson, Texas; Frank F. Merriam, Iowa; George W. Marshall, Delaware, and J. B. Chenault, Kentucky.

Place of Meeting and Officers, 1901—Lloyd Wilkinson, Maryland; Henry Yates, Illinois; Francis Hendricks, New York; A. I. Vorys, Ohio, and Thomas J. Wagner, Missouri.

Committee of Reserve Other Than Life—A. I. Vorys, Ohio; J. V. Barry, Michigan; F. L. Cutting, Massachusetts; H. D. Appleton, New York; John C. Linehan, New Hampshire; James R. Young, North Carolina, and Max Beeler, Iowa.

Assets of Insurance Companies—John C. Linehan, New Hampshire; Thomas Monroe, Arkansas; S. W. Ferguson, Maine; Emil Giljohann, Wisconsin, and Elmer H. Dearth, Minnesota.

Credentials—S. W. Carr, Maine; J. J. Brinkerhoff, Illinois; S. W. McCullough, Pennsylvania; A. I. Vorys, Ohio, and George W. Marshall, Delaware.

Fraternal Insurance—A. I. Vorys, Ohio; Fred Howland, Vermont; Thomas H. Wagner, Missouri; F. L. Cutting, Massachusetts, and Reau E. Folk, Tennessee.

Insuring Physicians and Druggists Against Loss by Deaths for Which They are Responsible.

(Bulletin of the Fidelity and Casualty Company.)

The opinion given below of Mr. Elmer H. Dearth, Insurance Commissioner of the State of Minnesota, on the physicians' liability policy does not need comment excepting to note that insurance departments are disposed in these days to avoid narrow constructions of the powers of insurance companies. This seems to us fortunate. And the fact does not in any way suggest that the insurance departments ought not to be careful in the exercise of their proper function—that of holding companies up to sound financial methods and conditions. The public does not so much want to know whether a company may or may not issue certain kinds of insurance, but to be satisfied that the companies admitted to do business in the respective States are sound and likely to pay losses.

OPINION.

"I have your favor of the 2d inst. in re 'Physicians and Surgeons Liability Policy,' inclosing for examination copy of the brief submitted to the Massachusetts authorities before whom this same question was recently brought for consideration.

"I find upon inspection that Paragraph 5, Section 6, Chapter 522, Acts 1894 of the Massachusetts Laws, is identical with Paragraph 6 of Section 27, Chapter 175, Laws of 1895 of Minnesota, under which provision insurance companies of the general casualty and liability class have authority to issue insurance policy contracts to any person, firm or corporation indemnifying them against loss or damage on account of the bodily injury or death by accident of any person, for which loss or damage said person, firm or corporation is responsible.

"I will frankly admit that upon my attention being first called to the contract which is now being issued by your company, known as the 'Physicians and Surgeons Liability Policy,' providing indemnity against damage on account of any errors or mistakes on the part of the insured, I was inclined to the opinion that such a contract was not authorized under any provision of the Minnesota statutes; it not appearing to me that an indemnity arising through the errors or mistakes of a physician in the practice of his profession could be termed an accident within the meaning of the law. However, having given the matter my careful and conscientious consideration, in which the brief containing a full and comprehensive argument of the question submitted to the Attorney-General of Massachusetts has been carefully perused and considered, I am now inclined to indorse the opinion of the Attorney-General of Massachusetts, in which he holds that the writing of said contract is permissible and practically authorized under the provisions of the paragraph of the statute above cited. Certainly the whole question hinges upon the interpretation given to the word 'accident' as used in the statute, as applied to the 'errors and mistakes' of a practicing physician. It is certainly clear that as far as the patient is concerned any injury which he may suffer, or aggravation of any disease or trouble for which he may be treated by a physician, due to a mistake or error on the part of the practitioner, is to all intents and purposes an accident.

"The fact, therefore, that through any such possible errors or mistakes a physician would be liable for damages, fixes the fact that there is an insurable interest involved, identical with that of an employer who secures a policy of insurance whereby he will receive indemnities on account of any possible damages that might arise through personal accident to his employees, caused wholly or in part by his negligence or carelessness. The question as to whether such a contract as the 'Physicians and Surgeons Liability Policy' is or might be against good public policy, on the ground that it might tend to criminal negligence or carelessness on the part of the assured, I am inclined to acknowledge, after due consideration and in view of the ruling of the court in a certain case quoted, is not open to argument, although on first flush when this matter was brought to my attention it appeared to me that there might be something in this point. I therefore beg to advise you that upon the grounds above set forth the issuance of this contract by your company in the State of Minnesota appears to be warranted under the statutes of this State and will not, therefore, be held by this department as an illegal contract.

"I would state, in this connection, that the Attorney-General of Minnesota duly concurs in this decision."

To which the president of the company has replied as follows:

"I have to thank you for the careful attention you have given this matter, and to express my gratification at the conclusion reached by you.

"It seems to me the companies should rigidly avoid overstepping the laws of the States or trenching on doubtful ground. It seems to me, on the other hand, that the unwillingness you show to interfere with an insurance line that is in demand and that lessens a hazard to a deserving class of citizens is altogether right. Insurance is evolving like everything else, and it is in the interest of our people that unnecessary interference with its progress should not occur."

The Consequential Damage Clauses.

The committee on conference called by the National Board of Fire Underwriters to consider the question of policy forms and clauses was in session three days this week at the National Board rooms, 156 Broadway, with Mr. F. C. Moore in the chair. There were also present on behalf of the National Board committee Messrs. J. H. Washburn, F. O. Affeld, Robert B. Beath, George W. Hoyt, C. F. Shallcross and E. F. Beddall; also George Neiley, president, and C. M. Goddard, secretary, of the New England Exchange; J. M. Carothers, of the Underwriters' Association of New York State; Paul Turner, of the Underwriters' Association of the Middle Department; Herbert Wilmerding, of the Philadelphia Underwriters' Association; Fred B. Carpenter, president of the Boston Board of Underwriters, and L. E. Warren, representing the South Eastern Tariff Association.

During the several sessions clauses "A" and "B," relative to consequential damage, were further considered, revised and adopted as follows:

CLAUSE "A."—EXCLUDING CONSEQUENTIAL DAMAGE.

[Recommended to be attached to policies covering merchandise, or products artificially cooled]:

"This insurance is against only direct loss or damage by fire, and does not cover any loss or damage caused by change of temperature resulting from the total or partial destruction or disablement by fire or lightning of the cooling or other apparatus, connections or supply pipes, nor by the interruption of the cooling or other processes from any cause."

CLAUSE "B."—ASSUMING CONSEQUENTIAL DAMAGE.

"This insurance being otherwise only direct loss or damage by fire, in consideration of $..... additional premium, this company also assumes liability (not exceeding the amount of this policy remaining after the liability of this company for any direct loss has been determined) for any loss or damage to the property described while contained in the above named building, caused by change of temperature, resulting from the total or partial destruction or disablement of the cooling apparatus, connections or supply pipes by fire occurring in the above described building, or in any other of the following buildings":

[Here name the location of the refrigerating plant and any other building through which the supply pipes pass, and which, if burning, might disable them.]

The following clauses were also adopted:

BUILDING ORDINANCE LIABILITY CLAUSE—FOR FRAME BUILDINGS ONLY.

"In consideration of $..... additional premium, it is agreed that if the building described herein shall be so damaged by

fire that, by reason of any ordinance or law regulating the construction or repair of buildings, it cannot be restored to its previous condition, it shall be regarded as totally destroyed. This company shall, however, in no event, be liable for more than the actual cash value, at the time of the fire, of the building so damaged (which cash value shall be ascertained and determined in the manner provided by the conditions of this policy), nor for more than such proportion of the loss as the amount hereby insured bears to the whole amount insured thereon, whether such other insurance, if any, contains a provision similar to this or not."

BUILDING ORDINANCE LIABILITY CLAUSE—FOR OTHER THAN FRAME BULDINGS.

"In consideration of $..... additional premium, it is made a condition of this policy that if the building described herein shall be so damaged by fire that, by reason of any ordinance or law regulating the construction or repair of buildings, it cannot be restored to its original condition, this company shall be liable for its proportion of the cost of repairing or replacing the same in compliance with such ordinance or law, subject, however, to the other conditions of this policy not conflicting herewith and to the coinsurance or average clause annexed hereto or stamped hereon; but this company shall not be liable for more than the actual cash value, at the time of the fire, of the building so damaged; nor for more than the amount hereby insured; nor for more than such proportion of the loss as the amount hereby insured bears to the whole amount insured, whether such other insurance, if any, contains a provision similar to this or not."

The conference adjourned to meet again at the National Board rooms on Wednesday, December 18, at 11 o'clock a. m. In the meantime all of the forms prepared will be submitted to the members of the board for suggestions.

The Mutual Reserve Fund Offer of Reinstatement.

(*The Independent, New York.*)

Among the recent inquiries received at this office from members of the Mutual Reserve Fund who desire advice was one inclosing an offer of reinstatement. This offer, made in the form of a personal letter, was evidently a specimen of one of the modern devices for cleverly imitating a typewritten letter of which a press copy had been taken, and was not the special and personal document it was expected to appear; it was simply a circular. and we now find it in print. It sets forth that the recipient formerly paid in considerable money, and "under present conditions there is no way in which you can get any of this money back," yet that "in order to give you every advantage of your former membership, and to render the reinstatement of your policy as easy as possible," the offer is made and is "the last opportunity to preserve the value of the policy which you formerly held."

The offer is simply to restore the policy and allow the insurance equivalent of all the assessments which have not been paid since the date of lapse to stand as a lien. Any ex-member may add to his information, and can do himself no harm, by asking for a specific proposition, since the assessments past are rather an indefinite quantity; but a close scrutiny of the offer is advisable. For it is made only to persons in good health, and therefore insurable risks. A former member, now in good health and desiring insurance, is solicited by this imitation letter to take up his abandoned insurance instead of applying for a new policy elsewhere at his present age.

Aside from the comparative quality of the insurance, how is he to gain anything by this "last opportunity," inasmuch as he is really to be taken at his present age? If (to illustrate roughly) his present rate is double that at his original age of entry, and his new policy nominally $1,000, is loaded with a $500 lien, he receives no concession whatever. The Mutual Reserve offered insurance too low, and thereby came into the trouble which it is now laboring to overcome by raising rates and attaching liens in order to equalize matters. Now if (again using figures roughly for illustration) it once charged John Doe $40, when he should have paid $50, there is no favor granted to Doe in rewriting his policy at the old inadequate rate and loading it with a lien to represent what he has not paid, nor is this a good step for the association.

There is an attempt to convey the idea of recovery of something lost. But the ex-member now in good health has not lost anything. He had his insurance, and at too low a figure. To seek to persuade him that a valuable thing which he once possessed and allowed to go can be recovered intact (a little formality of lien being the condition) is clever but deceptive.

Having said very little about the association since the death of its founder, we will add that while sincerely desirous of seeing the present management succeed in reaching firm ground we cannot approve any such methods as this. New business should be sought in straightforward and simple canvassing, not by delusive offers.

An Eddyite Prayer Against Dyspepsia.

(*Medical Department of The Baltimore Underwriter.*)

The following sample of "Christian Science" is quoted in the *Journal of Physical Therapeutics* from one of the Eddyite publications, "Faith Healing and Christian Science," by Miss Alice Fielding, p. 214. It is a prayer for a dyspeptic, drawn up by Mr. Hazzard, president of the New York School of Primitive and Practical Christian Sciences. The capitals and italics of the original are followed:

"HOLY Reality! We BELIEVE in Thee that Thou art EVERYWHERE present. We *really* believe it. Blessed Reality, we do not pretend to believe, think we believe, believe that we believe. WE BELIEVE. Believing that Thou art everywhere present, we believe that Thou art in this patient's stomach, in every fibre, in every cell, in every atom, that Thou art the sole, only Reality of that stomach. Heavenly, Holy Reality, we *will* try not to be such hypocrites and infidels as every day of our lives to affirm our faith in Thee and then immediately begin to tell how sick we are, forgetting that Thou art everything and that Thou art not sick, and therefore that nothing in this universe was ever sick, is now sick, or can be sick. Forgive us our sins in that we have this day talked about our backaches, that we have told our neighbors that our food hurts us, that we mentioned to a visitor that there was a lump in our stomach, that we have wasted our valuable time, which should have been spent in Thy service, in worrying for fear that our stomach would grow worse, in that we have disobeyed Thy blessed law in thinking that some kind of medicine would help us. We know, Father and Mother of us all, that there is no such thing as a really diseased stomach; that the disease is the Carnal Mortal Mind given over to the World, the Flesh and the Devil; that the mortal mind is a twist, a distortion, a false attitude, the HARMATIA of Thought. Shining and Glorious Verity, we recognize the great and splendid FACT that the moment we really believe the Truth, Disease ceases to trouble us; that the Truth is that there is no Disease in either *real* Body or Mind; that in the Mind what *seems* to be a *disease* is a False Belief, a Parasite, a hateful Excrescence, and that what happens in the Body is the shadow of the LIE in the Soul. Lord, help us to believe that ALL Evil is Utterly Unreal; that it is silly to be sick, absurd to be ailing, wicked to be wailing, atheism and denial of God to say, 'I am sick.' Help us to stoutly affirm with our hand in Your hand, with our eyes fixed on Thee, that we have no Dyspepsia, that we never had Dyspepsia, that we will never have Dyspepsia, that there is no such thing, that there never was any such thing, and that there never will be any such thing. Amen."

[With this positive declaration that we have been walking in "a vain show," that there is no such thing as diseased conditions, that "what *seems* to be disease is false belief," is it not time for the managers of our life insurance companies to awaken to the full force of such magisterial pronouncement, and to make due acknowledgment and atonement by abolishing their medical departments? If the medical director is merely an ornamental appendage, an expensive luxury, why not throw him overboard? Agents and solicitors would rejoice in the overthrow of the dictator for the reason that he has always been to them a stumbling block and a rod of offense.—ED.]

Established 1782.

Phœnix Assurance Company,

OF LONDON.

FIRE INSURANCE ONLY. LOSSES PAID OVER $100,000,000.

Head Office for the United States, 37 Liberty St., N. Y.

A. D. IRVING, Manager. E B CLARK, Asst. Manager.
LOUIS P. BAYARD, 2d Asst. Manager.

The Agricultural Insurance Company of Watertown, N. Y.

ESTABLISHED 1853.

Assets, January 1, 1901 ..... $2,283,558.42
Total Liabilities, except Capital $1,240,017.87
Joint Stock Capital 500,000.00

1825. THE 1901.

Pennsylvania Fire Insurance Co.

OF PHILADELPHIA.

Cash Capital,	$400,000.00
Re-insurance and all Liabilities,	2,771,038.56
Surplus,	2,163,883.97
Total January 1, 1901,	$5,334,922.53

R. DALE BENSON, Prest. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Prest. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

Instituted in Reign of Queen Anne, A. D. 1714.

Union Assurance Society of London

No Overhead Writing
No Dual Agencies.

Loyalty to Local Agents.

United States Offices: Society's Building,
35 Pine Street, New York, ... Hall & Henshaw, Managers
171 La Salle Street, Chicago, . . . Hall & Henshaw, Managers
35 Kilby Street, Boston, . . . Hall, Henshaw & Gilmour, Managers
English-American Building, Atlanta, Ga., . George N. Hurt, Manager
Mining Exchange Building, Denver, Col., Gerald L. Schuyler, Manager
AGENTS IN ALL THE PRINCIPAL TOWNS AND CITIES.

The Mutual Benefit Life Insurance Co.

NEWARK, N. J.

AMZI DODD, - - PRESIDENT.

ASSETS (Market Values) Jan. 1, 1901 ..... $74,311,468 25
LIABILITIES, N. J. and N. Y. Standard 68,186,103.34
SURPLUS 6,125,364.91

MUTUAL BENEFIT POLICIES
—CONTAIN—
Special and Peculiar Advantages
WHICH ARE NOT COMBINED IN THE
POLICIES OF ANY OTHER COMPANY.

Provident Life and Trust Co.

OF PHILADELPHIA.

The best in Life Insurance is likely to be the cheapest. The same fidelity, skill and care which are necessary to guarantee the future security of a company result in the lowest cost. A good test, therefore, is to determine whether the organization and the surroundings of a company exclude all doubt as to future security. In determining this the question of cost is determined also. **THE PROVIDENT LIFE AND TRUST COMPANY** invites inquiry as to its organization and the provisions for safety afforded. For the full period of its existence the death rate has been only .614 of the rate indicated by the authoritative tables.

INCORPORATED 1865

GERMAN INSURANCE CO.

OF FREEPORT, ILL.

The Largest and Most Successful Fire Insurance Company in the West.

Assets, January 1, 1901,	$3,656,401.59
Cash Capital,	200,000.00
Liabilities, including reinsurance,	2,181,179.89
NET SURPLUS,	1,275,221.70

C. O. COLLMAN, Pres. HENRY BAIER, Vice-Pres. D. B. SCHULTE, Treas.
WM. TREMBOR, Sec. F. M. GUND, Ass't Sec.

Head Office for the United States:

57 and 59

William Street,

NEW YORK.

A. G. McIlwaine, Jr., Manager.

The American Fire Insurance Co.,

PHILADELPHIA, PA.

CASH CAPITAL	$500,000.00
Reserve for Reinsurance, and all other Claims	1,603,605.54
Surplus over all Liabilities	247,360.42
TOTAL ASSETS, JANUARY 1, 1901	$2,477,069

THOMAS H. MONTGOMERY, Prest.
RICHARD MARIS, Sec. and Treas. WM. F. WILLIAMS, Asst. Sec.
WM. B. KELLY, Gen. Mgr.
DIRECTORS—Thomas H. Montgomery, Israel Morris, Pemberton S. Hutchinson, Joseph E. Gillingham, Charles S. Whelen, Edward F. Beale, John S. Gerhard, Edward Lowber Welsh, Archibald R. Montgomery.

The Manhattan Life

OF NEW YORK.

STRENGTH,
SECURITY,
SOLIDITY
ARE THE WATCH-WORDS OF THE COMPANY

Assets, $16,367,635.69
Surplus, 1,706,854.98

Live, energetic men are wanted for several pieces of excellent territory. Very interesting propositions will be made to first class men.

ADDRESS:
W. B. LANE. 2d VICE-PRESIDENT.

EVERY MODERN FORM OF POLICY ISSUED.

CHARTERED 1866.

The Old Reliable

Hartford Life Insurance Co.

HARTFORD, CONN.

In its Industrial Branch issues Whole Life, Endowment, Semi-Endowment and Life-Endowment-at-Age-80 Policies, in amounts from $10 to $500 and from ages 2 to 60.

These policies are plain in terms and conditions. Cash Surrender and other values are written in the contract. All "Hartford" Policies are in full immediate benefit in case of death by accident.

Best to sell or insure under. *Over $20,000,000 Paid in Benefits.*

GEO. E. KEENEY, President. CHAS. H. BACALL, Secretary.

Home Life Insurance Co.

256 BROADWAY, NEW YORK.

GEO. E. IDE, - - - - President.

Assets, - - - - -	$12,342,247.00
Dividend Endowment Accumulations, -	736,337.00
Contingent Fund, - - - -	65,875.00
Net Surplus, - - - - -	1,282,588 30

ORDINARY
and
INDUSTRIAL
PROFIT SHARING
POLICIES.

EXCEPTIONAL
ADVANTAGES
TO

..... Active Agents.

WRITE TO

THE PRUDENTIAL INSURANCE CO. OF AMERICA

JOHN F. DRYDEN, President. Home Office: NEWARK, N. J.

National Life Insurance Company of Vermont.

J. C. HOUGHTON, President.
JOS. A. DE BOER, Vice-President.
O. D. CLARK, Secretary.

THIS COMPANY HAS GAINED IN THE LAST DECADE,

In Assets, . . .	$12,275,109.34, or 160.96 per cent.
In surplus, . . .	1,089,332.69, or 119.47 per cent.
In insurance, . .	48,102,491.00, or 93.64 per cent.

Sells the Most Modern, Profit-Sharing, Non-Forfeitable Contracts of Life, Term, Endowment and Annuity Insurance. Correspondence from interested parties promptly recognized. Good agency contracts for reliable men.

J. F. MAKLEY, General Manager,
149 Broadway, New York.

Personal Accident. **Plate Glass Insurance.**

ATTENTION, AGENTS and BROKERS!

The Central of Pittsburg, Pa.,

is the best company for the **Customer**, the **Broker** or the **Agent**. In the above lines of insurance it sells the **Best Policies**. Call on or address

Central Accident Insurance Company, Pittsburg, Pa.

ESTABLISHED IN 1822.

THE NATIONAL ASSURANCE COMPANY OF IRELAND.

GEORGE E. KENDALL,
United States Manager,
HARTFORD, CONN.

National Fire Insurance Company,

HARTFORD, CONN.

JAMES NICHOLS, President. B. R. STILLMAN, Secretary.
H. A. SMITH, Assistant Secretary.
HEAD OFFICE, 95 Pearl Street, Hartford, Conn.

WESTERN DEPARTMENT.
FRED. S. JAMES, General Agent.
G. W. BLOSSOM, Asst. Gen'l Agent.
Office, 174 La Salle St., Chicago.

PACIFIC DEPARTMENT.
GEO. D. DORNIN, - Manager.
GEO. W. DORNIN, Asst. Manager.
Office, 409 California St., San Fran.

1850. THE 1901

United States Life Ins. Co.

IN THE CITY OF NEW YORK.

GEORGE H. BURFORD, President.

FINANCE COMMITTEE.

GEO. G. WILLIAMS, . . .	*President Chemical National Bank*
JOHN J. TUCKER, ...	*Builder*
E. H. PERKINS, JR.,	*President Importers' and Traders' National Bank*
JAMES R. PLUM, ...	*Leather*

Active and successful Agents who desire to make Direct Contracts with this well-established and progressive Company, thereby securing for themselves not only an immediate return for their work, but also an increasing annual income commensurate with their success, are invited to communicate with RICHARD E. COCHRAN, 3d Vice-President, at the Company's Office, 277 Broadway, New York City.

Assets over $8,000,000. **Insurance in Force, over $40,000,000**

German American Insurance Company New York

29th ANNUAL STATEMENT, JANUARY 1st, 1901.

Cash Capital, - - - -	$1,000,000.00
Reserve for all Liabilities, - - -	3,408,569.64
Net Surplus, - - - - -	4,267,711.70
TOTAL ASSETS, -	$8,676,281.34

Sun Ins. Office of London, England.

J. J. GUILE, U. S. MANAGER.

OFFICE: 54 PINE STREET, NEW YORK.

The Union Central Life Ins. Co.,

CINCINNATI, OHIO.

Assets, January 1, 1901, ...	$26,440,297.28
Surplus, ...	3,693,343 46

No Fluctuating Securities. Largest Rate of Interest. Lowest Death Rate.

Endowments at Life Rates and Twenty Payment Guaranty Policies Specialties.

Large and increasing Dividends to Policy-holders. DESIRABLE CONTRACTS and GOOD TERRITORY open for LIVE Agents.

Address JOHN M. PATTISON, President.

Provident Savings Life Assurance Society

OF NEW YORK.

EDWARD W. SCOTT, PRESIDENT.

THE BEST COMPANY FOR POLICY HOLDERS AND AGENTS.

SUCCESSFUL AGENTS, AND GENTLEMEN SEEKING REMUNERATIVE BUSINESS CONNECTIONS, MAY APPLY TO THE HEAD OFFICE, OR ANY OF THE SOCIETY'S GENERAL AGENTS.

The Preferred Accident Insurance Co.

OF NEW YORK.

Accident Policies. Health Policies.

Large Benefits, Low Rates, Best Commissions.

December 31, 1899:

Assets,	$779,385.45
Surplus,	365,124.30

KIMBALL C. ATWOOD, Sec'y, 290 Broadway, NEW YORK.

The Largest Fire Insurance Company in Germany.

MAGDEBURG FIRE INSURANCE CO.

Of MAGDEBURG, GERMANY.

ESTABLISHED 1844.

United States Branch, Magdeburg Building, 17 William Street, New York.

PAUL E. RASOR, Manager. AD. DOHMEYER, Ass't Manager.

Lion Fire Insurance Company,

84 QUEEN ST., CHEAPSIDE,

LONDON, ... ENGLAND.

United States Branch: Hartford, Conn.

The Lancashire Insurance Company

OF MANCHESTER, ENG.

MILTON DARGAN, Manager,

25 Pine Street, NEW YORK.

Caledonian Ins. Co.,

FOUNDED 1805. of Scotland.

"The Oldest Scottish Insurance Office."

United States Head Office, 27-29 Pine Street, New York City.

STATEMENT JANUARY 1, 1901.

Assets	$1,910,617.66
Liabilities	1,101,382.62
Net Surplus in the United States	$809,235.04

CHARLES H. POST, U. S. Mgr. N. A. McNEIL, Ass't U. S. Mgr.

THERE ARE FEATURES IN THE FIFTY-THIRD ANNUAL REPORT OF

The Penn Mutual Life Insurance Company

Of interest to all engaged in life insurance work.

A copy on request.

THE PENN MUTUAL LIFE INSURANCE COMPANY,

921-925 CHESTNUT STREET, - PHILADELPHIA.

Western Assurance Company.

HEAD OFFICE: TORONTO, CANADA.

INCORPORATED 1851.

Hon. GEO. A. COX, President.

J. J. KENNY, V. P., and Managing Director.

UNITED STATES STATEMENT, JANUARY, 1901.

Assets	$2,016,370.78
Surplus in United States	638,430.59

ÆTNA LIFE INSURANCE CO.

MORGAN G. BULKELEY, PRESIDENT

Largest Company in the World doing Life, Accident and Health business

ASSETS, OVER . . . $56,000,000.

MOWRY and PATTERSON, Managers Life Department.

GEORGE C. STERLING, Manager Accident Department.

Continental Building, 46 Cedar Street, NEW YORK CITY.

1846—1901.

THE CONNECTICUT MUTUAL LIFE

Insurance Company.

WHERE THE CONNECTICUT MUTUAL STANDS.

During all the long struggle out of which this situation has developed, and amid the many schemes devised to attract public attention and favor to something else than life insurance, the attitude and position of the Connecticut Mutual have never been doubtful.

It has held to the cardinal facts: Life insurance is for the protection of those dependent on a man's life; their dependence makes it his unavoidable duty. Those dependents we assume to protect by our contract, at his personal cost; our duty to them is to make that protection as large, as secure, and as certainly available to them as possible; our duty to him is to make its cost to him as small as possible.

JACOB L. GREENE, President. **HERBERT H. WHITE, Secretary.**
JOHN M. TAYLOR, Vice-President. **DANIEL H. WELLS, Actuary.**

The Metropolitan Life Insurance Co.

(INCORPORATED BY THE STATE OF NEW YORK.)

"The Leading Industrial Insurance Company of America," IS REPRESENTED IN ALL THE PRINCIPAL CITIES OF THE UNITED STATES AND IN CANADA. THE PAYMENT OF OVER 250 DEATH CLAIMS DAILY TELLS OF THE GOOD IT DOES. INSURANCE IN FORCE OF OVER $900,000,000 ATTESTS ITS GREATNESS AND FAVOR WITH THE PUBLIC.

Permanent, Profitable and Progressive Employment.

AGENTS WANTED—Any honest, capable, industrious man, who is willing to begin at the bottom and acquire a complete knowledge of the details of the business by diligent study and practical experience can, by demonstrating his capacity, establish his claim to the highest position in the field. It is within his certain reach. The opportunities for merited advancement are unlimited. All needed explanations will be furnished upon application to the company's superintendents in any of the principal cities, or to the Home Office, No. 1 Madison Avenue, New York City.

JOHN R. HEGEMAN, President.

HALEY FISKE, Vice-President. GEORGE H. GASTON, Second Vice-President. GEORGE B. WOODWARD, Secretary. J. J. THOMPSON, Cashier and Assistant Secretary. JAMES M. CRAIG, Actuary. JAMES S. ROBERTS, Assistant Secretary. STEWART L. WOODFORD, Counsel. THOS. H. WILLARD, Medical Director. A. S. KNIGHT, Assistant Medical Director.

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.
FOUNDED 1792.

Assets, January 1, 1901		$9,583,791
LIABILITIES—Reserved for Reinsurance and all other claims	$4,805,254	
Capital Stock	3,000,000	
Surplus over all Liabilities	1,778,537	$9,583,791

Agents in all the principal towns and cities.

CHARLES PLATT, President. EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. BENJAMIN RUSH, Second Vice-President.
T. HOUARD WRIGHT, Marine Secretary. JOHN B. ATWOOD, Assistant Secretary.

Offices in New York: Fire, William and Pine Sts.; Marine, 63 Wall St.

THE STANDARD LIFE AND ACCIDENT INSURANCE COMPANY

OF DETROIT, MICH.
INCORPORATED 1884

LIABILITY, PERSONAL ACCIDENT AND SICKNESS INSURANCE

D. M. FERRY, PRESIDENT.
E. A. LEONARD, SECRETARY.
W. C. MAYBURY, MNG. DIRECTOR.

CASH CAPITAL, $250,000.00

The Massachusetts Mutual Life Insurance Company,

INCORPORATED 1851.
SPRINGFIELD, MASS.

ASSETS - January 1, 1901	$26.245,622.04
LIABILITIES	23,920,986 53
SURPLUS	2,324,635.51

Definite Paid-up and Cash Surrender Values written in every Policy.

JOHN A. HALL, President. HENRY M. PHILLIPS, Secretary.

New York Office: Empire Building, 71 Broadway.
GEORGE J. WIGHT, Manager.

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

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NOTWITHSTANDING the diminished fire loss in the autumn months, the present prospect is that this year will close with nearly as bad an account as any of its predecessors. The "fire fiend" has whipped up his steeds in the homestretch for the record. We reprint in this issue an article from a London contemporary which indicates that considerable perturbation exists over there about the fire underwriting situation everywhere. Our contemporary asserts that the continuation of unfavorable conditions for five years is taking the heart out of the underwriters, and it is certain that "something must be done and the remedy must be drastic." It goes on to discuss causes and remedies, holding that neither the haphazard advancing of rates nor the wholesale reducing of expenses will create profits; but that there must be judicious moderation behind both movements. Rates may be high enough when a removable hazard is eliminated and "reduced expenditure often spells ruin." The conclusion of our contemporary is that the cure will be found in making every class of risk pay for its own losses and expenses, and that a "scientific system of rating would be practicable if fire managers were of one mind and alive to the urgency of the occasion." There is nothing original in either suggestion. Rating organizations in this country are ever at work classifying hazards and applying a specific rate to each, and, theoretically at least, fire managers are of one mind as to the urgency of scientific rating. What is most needed is the reduction of the fire loss. Who can demonstrate how that may be accomplished?

AN act was passed by the Minnesota Legislature this year making it unlawful to enter into any agreement, trust, combination or understanding to "fix the price of any article or commodity or to maintain said price or to fix the amount or limit the quantity of any article or thing whatsoever or to limit competition by refusing to buy from or sell to any person or corporation because such other person or corporation is not a member of or a party to such combination or to boycott or threaten anyone for buying from or selling to such outside parties." It seems to have occurred suddenly to the Commissioner of the Minnesota Insurance Department that this law applies to fire insurance companies. We say "suddenly," for the Legislature adjourned eight months ago, and local boards of fire underwriters have been fixing rates and companies have been unionizing agencies since that time without hindrance from the commissioner or any intimation that he had the slightest thought that insurance was in the minds of the legislators when they passed the anti-trust law. It certainly was not in the minds of the fire underwriters when the bill was before the Legislature, or they would have opposed it. Commissioner Dearth was in office, too, and he never "peeped" on the subject. His present outbreak, according to a St. Paul dispatch, is occasioned by an order received by a Winona agency from its companies that unless it joins the local board of that place they will go to another agency. Mr. Dearth is reported to have warned the companies that their action is in violation of the anti-trust law, and if persisted in he will revoke their licenses, and furthermore to have written the Winona agency that a local board which fixes and maintains rates is unlawful. We trust that the threatened companies will make the commissioner prove his point in court. Meanwhile he might read with profit the recent decision of Judge McPherson, of the Federal Court at Council Bluffs, pronouncing the Nebraska anti-trust law, as applied to insurance companies, unconstitutional and an outrage upon the liberty of the citizen. The reasoning applies with equal force to the Minnesota performance. Commissioner Dearth seems to have gone out of his way without provocation to pick a quarrel with the insurance companies. He astonishes us!

As has been known for some time, another victim of the assessment delusion in life insurance is the New York Produce Exchange, which is having so much trouble over the consequences of its original mistake that even a separation of its elements into two rival bodies has been threatened. The agitation over the breaking down of the insurance machinery is now accentuated by a decision of the New York Court of Appeals on the question as to whether certain amendments forced upon the Exchange by the younger members were legal. The court decides that they were not. The scheme of life insurance which was put into operation in the beginning was founded upon the simple plan that when a member died all the surviving members should chip in pro rata to create a fund of $10,000 for the beneficiary of the deceased. This was practically an assessment of three dollars per death on a membership of over three thousand. The plan worked smoothly, as usual, until the old members began to accelerate the death rate, and then the younger members, who were beginning to pay more for their own insurance than the regular corporations require, made the inevitable kick. They were numerous enough to introduce and carry amendments to the gratuity fund arrangement limiting the number of yearly assessments to fifty at three dollars each, and thus cutting the benefits accruing to the old members one-half. There had accumulated a surplus fund in the course of time of over three-quarters of a million of dollars, and this the amendments devoted to the retiring of membership certificates. The Court of Appeals has upset all this, and the original plan which caused the

youthful rebellion is reinstated. How the Exchange will work out of the ruinous situation in which it is involved is the anxious problem before its sages, and meanwhile it is evident that the increasing cost of insurance will not be tolerated by those who can find the genuine article at less cost outside. The Produce Exchange is only going through the same trouble that has been experienced by all the assessment associations and fraternal orders; which has wrecked so many of them and still threatens the others struggling to readjust their conditions. The wages of sin is death.

THE release to Colonel Ransom from his long illness came on Monday. The estimation in which he was held by his fellow workers in journalism is voiced in the memorial resolutions adopted at the meeting held on Tuesday. But the circle of those who respected the man for his worth and loved him for his personal qualities was very much wider. It embraced the insurance community in which he labored with so much zeal and so much successful achievement for the best there was, for more than a generation. Colonel Ransom's advent in the insurance press took place thirty years ago. It was antedated, we believe, by only one other in active journalism, that of the respected Dean of the Guild, Dr. Fowler. In all those years of industrious application to work, often beset, we have no doubt, by temptation to swerve from the straight line, he followed only the highest ideals of service. We recall no newspaper career more free from discreditable imputations than that of the *Standard*, and it was due to the precept and example of the founder. It earned for Colonel Ransom the confidence of insurance men of all degrees, he became the trusted counsellor of manager and agent alike, and by natural sequence the author and developer of the great movement in life insurance which has done so much to make the vocation of agent respected. Such a life is a triumph and a benediction. And beyond the business man there was the friend whose charm of manner and genial temper, whose sympathy and helpfulness always, have left an impression that will not fade while the memory of the man endures.

Facts and Opinions.

FOR some months the officials of the Chicago local board have been revising the credits given for automatic sprinklers. In many cases credits had been given at haphazard, so that there was little justice as between risk and risk, and many had been allowed to deteriorate. They were carefully inspected, and figuring a practically perfect sprinkler equipment at 1,000, it was decided to reduce the allowance for all that could not show at least 80 per cent. of efficiency. Of the risks affected, including such department stores as Schlesinger & Mayer and many wholesale and multiple occupancy manufacturing risks, two graded at only 40 per cent., three 50, two 55, one 60, three 65, four 70 and three 75. The new rates were published Tuesday, and almost a panic was created among many agents, especially after the reports that have been sent out of other rate increases being prepared for the annual meeting. Many advised their clients that all rates on sprinkled risks were to be increased, and urged them to cancel at once and rewrite at current rates. The board officials say that this scare is entirely unjustified and that all the advances that were contemplated on sprinkled risks have already received attention. Merely because certain necessary changes have been made is no reason why the board should do anything unreasonable, such as an advance in well equipped sprinkled risks would be.

IT was announced this week that the Queen insurance company will make a change in its Boston agency on January 1 next. The company is now represented in Boston by Messrs. Bullard & Davenport, the senior member of the firm taking the agency in 1881, and the care of its interests by him and his partner has resulted in a large aggregate profit from the Boston underwriting. The contemplated change is, therefore, solely due to the wish of the Queen management to assume greater prominence in the office representing the company in Boston. It has selected as its managers for that city, beginning with next year, Messrs. Dewick & Flanders. The appointed firm will be composed of Frank A. Dewick, now the special agent of the Queen for Boston and vicinity, and Wallace F. Flanders, of the firm of Tillinghast & Flanders. The last named firm has the Boston agency of the North British and Mercantile of New York and of the Potomac Fire of Washington, D. C. When the new Queen agency enters into commission, Mr. Tillinghast will retire from the firm of Tillinghast & Flanders, excepting as regards his interest in its brokerage business.

THE *Journal of Commerce* reports the fire loss in the United States and Canada in November at $15,469,800. The following table gives comparisons by months:

	1899.	1900.	1901.
January	$10,718,000	$14,755,300	$16,574,950
February	18,469,000	15,427,000	13,992,000
March	11,493,000	13,349,200	15,036,250
April	9,213,000	25,727,000	11,352,800
May	9,091,900	15,759,400	22,380,150
June	6,714,850	21,281,000	9,590,000
July	11,426,400	13,609,100	15,740,000
August	9,703,700	10,298,250	8,334,000
September	12,778,800	9,110,300	7,645,200
October	12,046,250	7,107,000	14,749,900
November	11,857,650	8,518,000	15,469,800
Totals	$123,512,550	$151,941,550	$150,874,050

It will be seen from this exhibit that the November, 1901, fire loss was nearly $7,000,000 more than the sum chargeable against the same month in 1900. If December does not improve the situation the loss of the year will exceed $165,000,000.

THE London *Insurance Index*, on the subject of the fire insurance directors' scare in England, says:

> We observe that THE WEEKLY UNDERWRITER considers that "the recent amalgamations of fire offices in England and the rumors of others that are impending have brought sharply into view there the dearth of underwriters capable of taking the higher position in the business." In this we think our contemporary is rather in error; we should, indeed, for the credit of British insurance officials, be sorry to think otherwise. Whatever the true reasons for amalgamation may be, we do not for a moment believe that the scarcity of men of pronounced managerial ability is one of them, and although this has been more or less directly put forward as an excuse here, to do so is nothing short of a direct and unmerited insult to the many capable men in the business. On the other hand, our American contemporary is much nearer the truth in remarking that "viewing the dilemma of our British cousins from this side, we should say that a great part of their trouble arises from the dominance of directors in the underwriting affairs of their offices. These worthy gentlemen are, as a rule, persons who have made their money in other kinds of business than insurance, but who flatter themselves that they are quite capable of understanding underwriting off-hand." It might be added that directors, face to face with a large premium income and an unfavorable loss experience, sometimes take fright, and instead of leaving matters in the hands of their manager prefer to rid themselves of responsibility by handing over their own company to another.

A SPECIAL dispatch from St. Paul, Minn., says that Insurance Commissioner Dearth, in a letter to a Winona insurance agency, holds in effect that the local boards of underwriters of the

various cities throughout the State, which fix insurance rates and regulate the acceptance of risks, are combines which violate the State anti-trust law, in that they do away with all competition and regulate arbitrarily the price of insurance. Mr. Dearth refuses to give the name of the Winona agency which raised the question. He says, however, that the agency received word from two of its large Eastern companies that unless the agency entered the Winona Board of Underwriters these two companies would go to some other local agency. Mr. Dearth says that he has written the Eastern companies that he considers such an ultimatum to an agency a violation of the anti-trust laws. The companies are notified that if they insist their State licenses will be revoked. Mr. Dearth says that, being a "practical insurance man," he fully appreciates the benefits generally of local boards of underwriters, but that he must enforce the law.

THE attendance at the semi-annual meeting of the Illinois State Board of Underwriters at Chicago Tuesday was the largest ever known, fifty-two of some seventy specials being present. At a recent meeting forty district chairmen were appointed, so that none would have more than two or three counties, and all but two of these reported on conditions in their districts. These reports were more encouraging in that respect than had been expected. They showed that as a rule the non-Union companies are standing by the rates, but there are five or six exceptions—the German of Freeport, the Northwestern National, German of Peoria, Continental, Germania and American of Philadelphia. A large number of requests for the rating of towns were received and volunteer committees were named to rate eighteen of these after the first of the year. The rating of all grain elevators was ordered pushed. The next meeting will be held in Peoria in March. All the specials, and especially those of the larger companies, reported a great increase in premiums, many running as high as 20 and 30 per cent.

THE insurance commissioner of North Carolina is out with a proclamation against slick insurance companies, or so-called insurance companies doing business in that State without a license, and warning the public that a company that will "systematically attempt to do business in a State, and cheat the State of such licenses and taxes as are paid by honest companies," will "defraud and rob you or your wife and children when an opportunity occurs." He names the following as some of the companies which he alleges are guilty of the crimes and misdemeanors alluded to:

Commonwealth insurance company of Chicago, Commonwealth Savings and insurance company of Richmond, Great Britain insurance company, Mercantile Fire insurance company of Chicago, Mercantile Fire and Marine, Washington, D. C.; Victoria, London Fire Office, Limited; Mutual Fire of Baltimore, Mercantile Mutual Fire, Millers' Mutual Fire and other companies of the class known as "Mill Mutuals"; Western Consolidated Underwriters of Chicago, Triple Link Life insurance company of Illinois, Old Wayne Mutual Life of Indianapolis and others.

INFORMATION is received that when the criminal libel suit of the Mutual Reserve Fund Life Association against J. Thomson Paterson, publisher of the *Insurance Counsellor*, was called up in court for trial the announcement was made by counsel that it had been dismissed by consent of the parties. It may be added that there is no probability that the civil suit of the association against Mr. Paterson for libel nor his suit against the association for malicious prosecution will now be tried. The linking of the Paterson litigation with that of the prosecution of Franklin, which has been made by some overzealous representatives of the porcine insurance press, is unjust, because Mr. Paterson made his fight open and above board and against the association, and not on the line of personalities. It is reported, by the way, that Mr. Franklin has compromised his difficulties by selling his paper and returned to the metropolis, and will no more indulge in uncomplimentary remarks about the officers of the Mutual Reserve Fund.

THE directors of the National of Ireland have called a shareholders' general meeting for December 29, because heavy losses make it necessary "to take steps to strengthen the financial position of the company," and for the purpose of considering the following resolution:

Any member of the company may, with the consent of the directors, pay to the company, in advance of calls and without any call having been made, the whole or any part of the uncalled capital in respect of the shares held by such member or any of them, and every such payment shall diminish pro tanto the liability of the holder on such shares, and all advances so made or so much thereof as for the time being and from time to time exceeds the amount of the calls made upon the shares in respect of which such advance is made, shall carry interest at such rate, not exceeding 5 per centum per annum, as shall be agreed on between the company and the member at the time the advance is made; and the company shall pay interest accordingly, and the company shall be at liberty at any time to pay off capital thus paid in advance of call, and it shall thereupon cease to carry interest.

A SUIT for $200,000 damages has been instituted by Charles Selvage, who was local manager at Newark, N. J., of the Niagara Fire insurance company of New York, against the company. Vice-President Howe discharged Mr. Selvage, but the latter claimed that his contract does not expire until January 1, and he refused to leave the company's office, over which he had presided, at 747 Broad street, Newark, on Tuesday, and Mr. Howe called in Detective Gregory, who, with several of his men, attempted to eject Mr. Selvage, while Mr. Howe looked on. There was a lively fight, during which chairs and tables were upset. Judge Kilpatrick, who has an office in the building, hearing the noise, ran into the Niagara office and restored peace. When Mr. Selvage left the detective force took charge of the office and afterward they refused to permit Mr. Selvage to re-enter. Mr. Ernest A. Lyon has since been appointed successor to Mr. Selvage.

THE oldest director of an insurance company in the world is undoubtedly Mr. R. A. Gorell, J. P., who at the age of ninety-seven years is on the board of the Norwich Union Fire Office, and, judging from the letter he has just written to the *Westminster Gazette*, a pretty lively old gentleman still. The *Insurance Observer*, of London, has the following:

The following interesting communication has appeared in the *Westminster Gazette* over the signature of R. A. Gorell, J. P.: "I have just had a cutting from your paper sent me by a friend, in which you make a small mistake. In copying my 'letter to the *Times*' you say at the age of ninety-three I had 'a *clear* recollection of the jubilee of George III.' My letter says a *faint*, not a clear, I being then only five years of age. Last December I tendered my resignation as a director of the board of directors of the Norwich Union Insurance Fire Office, but my colleagues would not hear of it, and last June, at the annual meeting, I was re-elected for another term of three years. I was ninety-seven years old last August, and am thought to be the oldest director in the kingdom."

A BERLIN cable press despatch says that the American insurance companies, which have complied with the law coming into force with the new year, transferring the control of insurance from the state governments to the Imperial Government, know that their concessions may be withdrawn whenever the Government chooses. The law is framed so that it is really left to the discretion of the Government whether licenses are granted or denied to foreign companies, and Americans run the risk of having their privileges cancelled should Germany and the United States have an economic disagreement.

PRELIMINARY steps have been taken in the West for the organization of a syndicate of stock companies to write flour mill risks, after a system of careful and expert inspection, as sprinkled risks are now handled by the Western Factory Asso-

ciation. A meeting was held at Chicago on Tuesday, of which J. J. McDonald, of the Connecticut, was chairman, to prepare the plan. The syndicate will be managed by J. D. Sheehan, who retired from the managership of the Millers' National at the first of the month to develop his plans along this line, in which the Millers' National evidently fears his competition. The new flour mill schedule on the list of the unprofitable classes has not sufficed to take the class out of the list of unprofitables for all the companies, and many hold that expert inspections are what is needed.

THE new scheduled risks committee of the New England Insurance Exchange was organized at last Saturday's meeting with the following membership: Chairman, J. L. Liecty; Maine Division, W. B. Burpee and A. L. Berry; Vermont Division, F. E. Stone, W. B. Medlicott and W. J. Kelly; Eastern Massachusetts Division, Walter Adlard, W. A. R. Boothby and Gayle T. Forbush; Western Massachusetts Division, S. G. Howe, W. H. Winckley, George Shaw and C. D. Palmer; Rhode Island Division, J. J. Downey and J. J. Cornish; Connecticut Division, A. N. Williams, H. G. Fairfield, W. A. Lauler and E. J. Sloan. W. F. Rice was appointed chairman of the Framingham, Mass., committee, and K. S. Ducayet and William Bush were added to the membership of the Connecticut division of the factory improvement committee.

AT Binghamton, N. Y., Mrs. Mary Johnson, who, with I. H. Radford, of Buffalo, was indicted for burning the Davidge summer residence at Newark Valley, on the night of July 4, 1900, and who was convicted of the crime, has been sentenced by Judge Mead in Owego to serve fifteen years in Auburn Penitentiary. Mrs. Johnson is a woman of considerable wealth and refinement, who has resided in Chicago and Buffalo. It is charged that she entered into a conspiracy with several business men to systematically defraud the fire insurance companies, and placed an insurance of $8,500 on the Davidge residence, which she bought through Radford, and then burned it. Her lawyers have secured a stay of sentence pending an effort to secure a certificate of reasonable doubt and a new trial.

ANOTHER large structure, in the form of an annex to the Manhattan Life insurance company building, at No. 66 Broadway, New York, is soon to be reared on the north side of the present edifice, and will go to form an almost unbroken line of skyscrapers on the east side of lower Broadway. Apart from its significance as an enterprise of big proportions, the annex building is in itself to be the most novel thing in metropolitan construction, since it is to be mainly a series of elevator shafts for the accommodation of the tenants of the insurance company's building. It is to occupy the entire space between the Manhattan Life Company's building and the site of the twenty-one story structure now being erected by the Century Building Company at Nos. 70 and 72 Broadway.

THE dearth of insurance in Chicago is felt most keenly just now in the grain elevators, which have been overcrowded by grain rushed in because of the high prices that have been prevailing. Few of the large ones can secure all the insurance they need. In some the elevator owners are carrying much liability, and some are refusing to accept more grain because they cannot get it underwritten and are unwilling to accept any responsibility themselves. The suggestion that more liberal lines would be written if rates were increased is met with the statement that low rate risks are written more freely than those on which the rate has been advanced, many underwriters taking that as a sign that the line has been unprofitable and well to keep off of.

THE resident insurance agents of Kentucky have, through a committee, laid before Governor Beckham two measures for the protection of their business which they propose to introduce at the coming legislative session, and which they requested that he should indorse and recommend in his message. The committee was composed of Henry T. Duncan, of Louisville, former State Insurance Commissioner; Jesse T. Gosnell, of Leitchfield; J. M. Birdwhistle, of Anderson County, and Ruby Laffoon, of Madisonville. The proposed measures are a resident agents' bill and a bill to promote the investigation of the causes of fires.

WE are informed that great progress is being made in the preparations for the interesting festival with which the *Insurance Record* will commemorate the twenty-fifth anniversary of its birth. Not only are the foundations laid for a gigantic edition of the anniversary number, but, what is more important from a prandial point of view, Phil Farley has been secured for Chairman of the Committee on Surprises. Among the surprises which it is said Mr. Farley will spring upon the feasters will be a grand illumination of the banquet hall.

FIRE insurance companies are so anxious to get rid of their St. Louis liability that one company has just reinsured $1,000,000 of tornado business there in the Liverpool and London and Globe, although it is business which has proved exceedingly profitable. Companies report their losses on tornado business as about 10 per cent., and with expenses at 40, this gives a 50 per cent. profit. This has been of great assistance to the farm companies, which have been insisting that the insured should take a tornado policy also.

THE paragraph which appeared in our columns last week about the change in the chairmanship of the Franklin County, Me., Committee of the New England Insurance Exchange needs correction. The facts are that the chairman was Mr. William H. Hellyar, special agent of the Fire Association, and he having resigned the same, C. E. North, also special agent of the fire association, having Maine as part of his territory, was appointed in his stead.

THE Indiana League of Fire Underwriters, composed of representatives of companies doing business in Indiana, which do not belong to the Western Union, held its annual meeting in Indianapolis on Monday evening, and elected the following officers: President, J. W. Williams, Prussian National; vice-president, C. L. Rudy, German of Freeport; second vice-president, Horace Boyd, German of Indianapolis; secretary and treasurer, George Reihm.

THE *Insurance Press* has printed in a pamphlet of thirty-four pages the two lectures delivered by Miles Menander Dawson, consulting actuary, before the students of the School of Commerce, University of Wisconsin, on "The Development of Insurance Mathematics"; also the address of Mr. Dawson before the Fire Underwriters' Association of the Northwest on "Scientific Fire Rating from an Actuary's Standpoint."

THE temporary injunction against Superintendent Yates, of Illinois, obtained by the Western Fire, Marine and Plate Glass insurance company of Chicago in the Illinois Supreme Court to prevent him from examining its books, was dissolved by the court on Wednesday. The concern, however, still bars out the commissioner's examiners.

THE Boston Board of Fire Underwriters on last Tuesday voted to make a reduction in rates on printers' risks outside of the congested district. These risks have been rated by schedule, but it was considered that the rates thus produced

were too high. It was voted also to advance the rate for hay written under floater policies from 3½ to 4½ per cent.

A SPECIAL cable dispatch from London to the *Journal of Commerce* says that the High Court of Justice, Chancery Division, has declined to consent to the proposed transfer of the life department of the Atlas insurance company to the Pelican Life insurance company, because the terms of agreement would have relieved the capital of the Atlas from all liability under the life policies of the Atlas.

THE officers of the Cincinnati Underwriters' Association for the ensuing year are: Walter S. Jones, president; Adam Beemus, vice-president; K. Benndorf, treasurer, and the executive committee is H. B. Drexilus, Fred Rauh, C. A. Farnham and A. R. Witham. Secretary Harding has been re-elected, but will have the title from January 1 of Superintendent of the Cincinnati Inspection Bureau.

Now the Michigan Insurance Commissioner joins the ranks of those that are warning their States against certain of the more voracious and predatory of the Chicago wildcats, specifying the Germania, Interstate, Union and Central. The Illinois Insurance Department is still promising to publish a complete list of the unauthorized companies as a warning to the general public.

IN Jersey City Mrs. Ellen Gallagher has brought a suit against the Mutual Reserve Fund Life Association for $1,000, the amount of a policy of insurance on the life of her husband. Mrs. Gallagher says that the association has offered her $425 in full settlement, claiming that the policy-holder understated his age at application and the amount tendered represents the difference.

AN appeal will be taken by the Mutual Reserve Fund Life Association from the decision of the United States Circuit Court of Appeals, reversing the decision of the Kentucky district judge who granted an injunction restraining the receiver appointed in the Phelps suit against the association at Louisville from taking possession of its assets in Kentucky.

DISCONTENT with packing house rates in general in the West and Kansas City conditions in particular have united to cause a marked stiffening in packing house rates there. A general increase is expected soon, and in the meantime many companies are instructing their Kansas City agents not to write packing houses at the prevailing rates.

A MOVEMENT has been started among the leading merchants of New Orleans, wholesale and retail, having as its object the repeal of the Haggerty anti-compact and valued policy insurance laws, which were enacted at the last session of the Louisiana Legislature, and will have the support, practically, of all the mercantile interests of that city.

THE Metropolitan Life insurance company has taken over the entire business of the American Life insurance company, of Lexington, Ky., an assessment company, which has been in existence a little over a year. The insurance of the Kentucky company in force at the beginning of this year amounted to $1,313,034.

THE Friedman cases, involving the question of liability when a building collapses and afterward catches fire, are to come up at Grand Rapids, Mich., December 17. There are five cases that were too small to be removed to the United States court, and which will be heard in the State court.

AFTER personally inspecting all State institutions and State property, Governor Durbin of Indiana has ordered ample insurance to be taken out covering the risks. Governor Mount, his predecessor, contended that the State was better able to carry its own risks than were the insurance companies.

THE Royal Exchange of London will write personal accident business in the United States, in addition to its fire business, in such States as will permit it to do so. The charter of the company authorizes the transaction of several kinds of insurance business.

THE Home of New York has made the following appointments for its newly begun Canadian business: A. M. M. Kirkpatrick, special agent for Ontario; Wood & Kirkpatrick, Toronto, local agents; Evans & Johnson, Montreal, local agents.

THE Louisville newspaper report that Barbee & Castleman are to be replaced as Southern managers of the Royal by Milton Dargan is declared by Attorney E. F. Beddall, of the Royal, to be absolutely without foundation.

AMONG Boston visitors this week are Henry A. Appleton, deputy insurance commissioner of New York, and C. W. Fletcher, deputy of the Maine department, who are conferring with Insurance Commissioner Cutting on the matter of blanks.

THE Central States office of the St. Paul Fire and Marine, at Dayton, Ohio, which covered a number of States, has been discontinued, and agents within the territory will hereafter report to the home office.

THE Springfield Fire and Marine is still ready to accommodate companies which want to retire from the Dakotas, and has now taken over the liability of the Manchester Fire in North Dakota.

THE British American of New York and United States Casualty are under the lens of the New York State Insurance Department.

THE New York Board of Trade and Transportation has appointed a special committee to inquire into fire insurance rates.

Personal

AGENCY APPOINTMENTS.

Anchor Fire of Cincinnati: Ernest B. Cooper, of Nashville, manager for Tennessee, Alabama and Arkansas.

British-American of New York: W. W. Smith, of Raleigh, general agent for North Carolina.

Hanover Fire: Oliver Walker & Son, Northampton, Mass.

Home of San Francisco: Obrion & Russell, Boston, Mass.

Liverpool and London and Globe: Oliver Walker & Son, Northampton, Mass.

Mechanics and Traders of New Orleans: George N. Austin, Lawrence, Mass.

Milwaukee Fire: Carr Brothers, St. Louis, Mo., succeeding Roeslin & Robyn.

Mutual Benefit Life: John R. King, general agent for Southern Indiana, with headquarters at Indianapolis; J. I. Norris, general agent for Northern Indiana, with headquarters at La Grange.

New York Life: B. W. Abbott, Nashville, Tenn.

Royal: Appleton & Norton, Salem, Mass.

Western Underwriters: Randolph Buck, special agent for Michigan and Indiana.

Mr. Horace E. Darling, agent at Boston of the Connecticut and a number of other fire insurance companies, died very suddenly Tuesday evening. He had been ailing since April. He was born in Boston fifty-nine years ago, and began his insurance work in 1861 as a clerk for Arthur Merrill, then Boston agent of the Connecticut Fire and the Charter Oak

Life. Mr. Merrill died in 1868, and Mr. Darling succeeded to the agency of the Connecticut, which he retained to his end. In 1893 he took into partnership George O. Russell, under the style of Darling & Russell. At a special meeting of the Boston Board of Fire Underwriters, held Wednesday, a tribute to the deceased was adopted and a committee appointed to attend the funeral, which took place Friday.

Mr. William Jennings Bryan, in his application last week for a $10,000 policy in the Northwestern Mutual Life, says the *Insurance Press,* made this answer to the question if he had ever suffered from fever, and, if so, what kind: "Yes, had two severe attacks of the Presidential fever, followed by severe chills, but I have fully recovered from both."

Mr. A. Drum, a prominent insurance man of Montgomery, Ala., accidentally killed himself at the Silver Hotel, at Dothan, Ala., while dressing at an early hour December 7. It is supposed that the pistol was discharged while removing it from his grip, blowing his brains out.

Mr. Frank T. Alliger, formerly a fire insurance broker of New York city, died from hasty consumption in Brooklyn, on Thanksgiving Day. Mr. Alliger was a member of a well-known insurance family and retired from business on account of ill health about two years ago.

Mr. John S. Belden, Western general agent of the London and Lancashire since 1888, has resigned to become joint manager of the Fire Association of Philadelphia, with Mr. H. W. Bush, from January 1.

Mr. B. F. Loose, of Des Moines, has bought the control of the Fidelity insurance company of that city and will take the positions of president and general manager.

Mr. J. B. Abernethy, one of the most prominent insurance men of North Texas, died at Bonham, in that State, December 5, from consumption.

Mr. L. L. Foster, who was Insurance Commissioner of Texas from 1887 to 1891, died at Dallas, Tex., on December 2.

Mr. Henry J. Baumgartner, insurance agent at Milwaukee, Wis., for the past ten years, died there December 1.

Col. Robert F. Shedden, of Atlanta, has been elected president of the Georgia Association of Life Insurers.

Mr. I. Smith Homans has been apppointed actuary of the Bankers Life of New York.

Miscellany.

The One Year Term Question in Massachusetts Referred to the Full Bench of Supreme Court.

Arguments were heard in the Massachusetts Supreme Court at Boston on Wednesday afternoon in the case of the Provident Savings Life against Insurance Commissioner Cutting. The company was represented by the Hon. Thomas B. Reed, with whom were associated L. S. Dabney and Reginald Foster, while Assistant Attorney-General Nash appeared for the commissioner.

The preliminaries of the case have been reviewed at more or less length in these columns. Briefly, the company has petitioned for a writ of mandamus to compel the insurance commissioner to value its policies according to their terms, while the commissioner has put in an answer, claiming discretionary power in the matter of such computation, and that his action is not subject to revision by the Supreme Court.

The arguments on Wednesday were directed mainly on the point as to whether or not the commissioner has such power. Mr. Nash, for the respondent, contended that under the law the commissioner is required to compute the net value of all policies outstanding and to keep a record of them, otherwise the companies could use up the premium receipts without giving any security to meet the policy when it became due. He cited a variety of statutes to show the breadth of the discretionary power vested in the commissioner. He never knew of the court's having written a mandamus to change the opinion of an official, and that was what the petitioner sought. If the commissioner regarded the assets of the company insufficient to carry on business with safety to the public, he could revoke its privilege to do business in the State, and by the expressed provision of the law the company would have no right of appeal. In the present case the commissioner found that the company's assets were nearer by about $240,000 to its liabilities than it thinks, and the court had no jurisdiction to interfere with his judgment.

Mr. Foster said that the law that the court had jurisdiction to enforce a ministerial duty which an official refused to perform was too well settled to need argument. He considered the legal injury to the company by the publication by the insurance commissioner of a false report of its financial condition infinitely greater than a false rating by a mercantile company. The counsel said that the commissioner undertook to say that the one year term contract was something different from what it really is. He claimed that it was a contract by itself; the application seeks such a contract, and the applicant not only gets it, but he also gets an option called a renewal agreement, which is a valuable right. The one year contract is complete and voidable on condition of subsequent acts, the renewal contract on condition of preceding acts, namely, failure to take advantage of the option. The first contract is bilateral —the option is unilateral. The insurance commissioner had no right to change the contract.

After Mr. Foster had expatiated somewhat more on the statute governing the duties of the insurance commissioner, Mr. Reed took up the thread of the argument. He maintained that the Legislature had prescribed the method by which the computation of value of the outstanding policies should be made, that this computation should be made upon the contracts of insurance as agreed to, that such computation is a mathematical one and that the commissioner has no discretion to interfere with or to change the insurance contract. His duty is to see to it that the companies have proper assets, to ascertain their liabilities and to see that they have the proper reserve to meet the obligations as they accrue and according to the terms set out in the policy and agreed to by the parties interested. In closing Mr. Reed said: "We want each policy to pay its own way; we deem it more honest and more advantageous; the commissioner doesn't. But this is a government of laws, not of men. We ask that the commissioner do not put us in a false light before the public as to our assets.

At Judge Barker's suggestion, and with the acquiescence of counsel, the case was referred to the full bench of the court for determination.

Chauncey Monroe Ransom.

After many weary months of suffering the end has come. Chauncey M. Ransom, president of the Standard Publishing Company, breathed his last just after midnight Sunday, at the Hotel Bartol, on Huntington avenue, Boston, where he had lately taken up his abode with his devoted wife and daughters. Last Saturday morning Mr. Ransom lost consciousness, which he never regained.

The funeral took place on Wednesday last at the Hotel Bartol, and many friends of the deceased and of his family were present to pay their last respects to the departed brother. The floral tributes were numerous and appropriate; among them was an elaborate and beautiful design from the insurance journalists of New York, representing a closed book with a pen laid over it.

The Rev. Theodore J. Holmes, of Portsmouth, N. H., who for many years was the pastor of the late Mr. Ransom at Newton Centre, delivered a heartfelt eulogy on the departed. He recalled the fact that when he assumed the pastorate eighteen years ago, the house of Mr. Ransom was the first to which he received an invitation, and that act was indicative of the hospitable and kindly nature of a man always ready to extend a helping hand and an encouraging word to others.

The interment took place at Newton Cemetery. Among the honorary pall bearers were Messrs. S. F. Woodman, of the Travelers; Nathan Warren, of the Equitable Life; D. N. Holway, of the Union Central; George P. Field, of the Royal, and C. M. Kellogg, of the Fireman's Fund. The National Life Underwriters' Association was represented at the funeral by Ex-Presi-

dent I. Layton Register and the Boston Association by President D. F. Appel. There were present at the funeral also Insurance Commissioner Cutting, of Massachusetts; Deputy Commissioners Appleton, of New York, and Fletcher, of Maine; William R. Gray, of John C. Paige & Co.; John S. Cranston, of the Prudential, and Fred C. Sanborn, of the Massachusetts Mutual Life. Among the newspaper men present were Henry L. Shumway, representing the Boston *Transcript;* John Buchanan, of the Boston *Globe* and the *Commercial Bulletin*, and Emil Schwab, of THE WEEKLY UNDERWRITER and the *Insurance Press*.

MR. RANSOM'S CAREER.

Mr. Ransom was the son of Robert Ransom and Orana Monroe Ransom and was born in Alden, Erie County, N. Y., on April 18, 1831. He came of sturdy New England stock, his great-grandfather, Jonathan Ransom, having served as a Massachusetts soldier in the War of the Revolution and having contributed four of his sons to the patriot cause. From Massachusetts the family moved to Vermont. Those of the next generation were among the hardy pioneers who peopled Western New York. Daniel Ransom, the grandfather, moved to Bennington, Wyoming County, and his son Robert settled in Erie County.

Mr. Ransom's education was obtained principally in the Genesee and Wyoming Academy, Alexander, N. Y. At seventeen he became a school teacher, teaching through the winter months and working at other occupations during the rest of the year. For a while after his experience in school teaching he was engaged in mercantile business in his native town. Later he moved to Cincinnati, where he again engaged in merchandizing. In 1865 he became secretary of the Cincinnati Home Fire insurance company, remaining as such until 1867, when he was elected vice-president of the Home Mutual Life insurance company of Cincinnati. Two years later he engaged with the Missouri Mutual Life of St. Louis as superintendent of agencies.

Having contributed frequently to the insurance papers, Mr. Ransom's thoughts in 1871 turned toward insurance journalism as a life profession, and in September of that year he purchased an interest in the Baltimore *Underwriter*, to which he gave his best services for the next seven years. In March, 1878, he purchased the Boston *Index*, changing the name in 1882 to the *Standard* and continuing it as a monthly paper until January 1, 1883, when he made it a weekly. Throughout all the years since 1878 he has been the head of the paper, honored alike by company officials and agents and by his fellow journalists.

The purely honorary title of "Colonel" was bestowed upon Mr. Ransom by some ardent admirer with a fondness for military distinctions. He was too democratic to court it and too polite to repel it; as a result the title clung to him ever afterward.

Probably the achievement in Mr. Ransom's insurance career upon which he looked back with the greatest pleasure was his successful inauguration of the association movement among the life insurance agents of the United States. Life agents' societies had existed before, but they were few in number and not of a permanent character. Mr. Ransom was the originator of the Boston Life Underwriters' Association, organized in the office of the *Standard* in 1883. Its instant success led to the formation of others, and in 1890 the times were ripe for carrying out another of his cherished ideas, the organization of the National Association of Life Underwriters. As the pioneer in the association movement he did much without compensation, traveling far and wide, making many addresses, and organizing numerous local associations. As someone has truthfully said, he was, indeed, the "father of the association movement and the godfather of the National Association." But the appreciation of his efforts and services was shown in a more formal and public way. In 1891 the Boston Association tendered him a reception and banquet, which he ever held in pleasant memory; nearly every local association in the country adopted complimentary resolutions, and the National Association elected him its sole honorary member. Illness alone prevented his attending the last three annual meetings of the national body—the only ones he ever missed—and the association on each on each occasion showed its sincere regret at his absence and his unfortunate physical condition by telegraphing him tender messages of sympathy and cheer, an attention which touched him deeply.

Mr. Ransom was formerly a member of several social and other organizations, including the New York Insurance, New York Democratic, Boston Press and Newton Clubs. Of late years he had relinquished his membership in all of them and found his only diversion in the quiet of the home circle. He was a Democrat of the old school and an ardent supporter of Mr. Cleveland, but in 1896 and 1900 worked and voted for Mr. McKinley, whose tragic, untimely death affected him most deeply.

On April 22, 1852, Mr. Ransom married Celina M. Standart, of Lancaster, N. Y. Mrs. Ransom and their three children—Robert W., editor of the *Standard*; Julia E. and Emily A., treasurer of the Standard Publishing Company—survive him.

ACTION OF INSURANCE JOURNALISTS IN NEW YORK.

A meeting of insurance journalists in the city of New York was held at the office of THE WEEKLY UNDERWRITER at 12 o'clock noon on Tuesday to take action respecting the death of Colonel Ransom. Among the gentlemen present were Colonel Thomson of the *Spectator*, Messrs. Lakey of *Insurance*, Eldridge of the *Guardian*, Ballard of the *Journal of Commerce*, Hanway of the *Vigilant*, Hall and Roberts of the *Surveyor*, Harrell, Scattergood and Simonson of the *Chronicle*, Moyer of the *Insurance Monitor*, Hatch of the *Insurance Age*, Kempson of the *Insurance Times*, Tobin of the *Insurance Press*, Thomas of the *Insurance Observer*, Hooper of *Accident Insurance*, Kempson of the *Insurance Journal* of New York, and Jenney, Olney and Weston of THE WEEKLY UNDERWRITER. Messrs. Smith and Sommers of the *Insurance Record* and other gentlemen representing insurance publications, were unavoidably absent, but assurances were received that they were in full sympathy with the action of the meeting.

Colonel Thomson was asked to preside and Mr. Jenney to act as secretary. Feeling eulogies upon the departed brother journalist were spoken by Mr. Hanway, Mr. Lakey and Mr. Eldridge. Mr. Hanway moved that a committee prepare a memorial expressive of the sense of the meeting, and the chairman appointed Messrs. Lakey, Eldridge, Hanway, Hatch, Simonson and Weston to perform that duty.

Mr. Lakey on behalf of the committee reported the following minute:

With a feeling of deep sorrow we learn that our friend and brother, Chauncey M. Ransom, has finished his day's work. A great soul has passed into the heavens. For many years we knew him as a tireless worker, building on foundations laid with his own hands, purposeful, earnest, a man whose highest ambition was to become a source of strength to others. The work he did is his monument. He stood for things honest, just, pure and of good report. He was the friend of every man he knew. He had that rare gift which is lacking in so many of us, of seeing the good in men first, last and always. He was an honor to our profession as a thinker and a worker. He left insurance journalism better than he found it, and in a large degree on account of the work he did. We, his brethren, who knew him for more than a third of a century, are sad to think we shall see his kindly face no more. But we are glad for the life he lived. Let us hope and trust that such a man as Chaun-

cey M. Ransom does not die, but lives on and begins work again on the morrow of an immortal life.

CHAS. D. LAKEY,
P. J. HANWAY,
GEO. D. ELDRIDGE,
E. D. WESTON.
CHARLES J. SIMONSON,
GEO. W. HATCH.

TRIBUTE BY THE BOSTON INSURANCE JOURNALISTS.

The following memorial was prepared by the insurance journalists of Boston and presented to the bereaved family:

The death of Chauncey M. Ransom has removed from among us an associate who has won and ever held the confidence and respect of those who have become acquainted with his life and work.

He has been a conspicuous and honored figure in insurance journalism for many years, and in a difficult and often delicate occupation he has always been true to high business ideals.

He has been conspicuous in the defense of good and has won the esteem and confidence of the underwriting fraternity of the whole country.

He has left to his associates and colaborers in his chosen field an example of integrity and honor which will not cease to be influential. We extend to his family our sympathy in their affliction, and this expression of our appreciation of his worth and influence.

President Appel, of the Boston Life Underwriters' Association, has appointed a committee of three to prepare a tribute to the deceased, and present it at the next meeting of the association, which is to take place on January 14.

The death of Mr. Ransom will interrupt in no way the publication of the *Standard* or the carrying on of the business of the Standard Publishing Company.

John B. Lunger Elected Vice-President of the Travelers Insurance Company.

The directors of the Travelers insurance company on Monday elected John B. Lunger, now managing actuary of the New York Life insurance company, to the vacant vice-presidency of the Travelers. Mr. Lunger also goes on the board of directors, in place of the late President Batterson. The Hartford *Times* says regarding Mr. Lunger's election and his qualifications for the important position which he is to occupy:

The filling of the vice-presidency has been for several weeks under consideration by a committee of the directors, consisting of President Dunham, W. B. Clark, president of the Ætna, and John R. Hills. Some of the local stockholding interests favored promotion from within the office, but the committee had in view certain matters which would best be handled by a man of all around experience. Mr. Lunger was well known to President Dunham and other officials, he having been a warm personal friend of the late George Ellis, and a frequent visitor to Hartford. He was also very highly esteemed by Mr. Batterson. Propositions that he should come to Hartford were favorably received, the matter of remuneration was mutually satisfactory, and the committee unanimously recommended him to the directors at their monthly meeting held late Monday afternoon. Mr. Lunger was elected a director, and was then elected to the vice-presidency.

Mr. Lunger's immediate duties will be with the life department of the company's business. He is exceptionally well qualified by his experience as an "all around" man, his work with the New York Life having been of that character for two or three years past. While holding the office of managing actuary of that company he has really been a general managing man, the actuarial duties having been left largely to subordinates. It is said of him that while with the New York Life he has made a somewhat close study of the Travelers' methods of business, and therefore comes to the company with a good general knowledge of its affairs.

Mr. Lunger, who is thirty-six years old, is a native of New Jersey and was educated in the public schools and the Centenary Collegiate Institute at Hackettstown, in that State. When only fifteen he began his business career in a law office in Newark, and a year later secured employment in the statistical department of the Prudential insurance company. Taking an interest in actuarial work, he studied it under D. Parks Fackler, consulting actuary, and when only nineteen was appointed actuary of the Prudential. Three years later, in 1886, the Prudential established a branch of ordinary life business, and Mr. Lunger was appointed manager. He built up the branch, and in 1897 went to the New York Life as managing actuary, the position having been created for him, and his duties being so arranged that he was brought into close relations with the men and the work in the field. His duties have necessitated extensive travel, both in this country and abroad, and he has quite recently returned from a trip to the Argentine Republic, where he reorganized the agency system of the New York Life in that country.

Mr. Lunger will be heard from in public circles in Hartford, as he is an effective speaker, and in New York has been prominent in the Union League Club, and in New Jersey president of the Garfield Club. He will probably locate in Hartford with his family within a few weeks.

Appointment of Members of Important Committees of the National Association of Local Fire Insurance Agents —The Men Who Will Represent the Agents at the Multiple Agency Conference.

The National Association of Local Fire Insurance Agents announces, through Secretary Frank F. Holmes, that the following gentlemen, other than those elected at the last annual meeting, have been appointed by the president to the committees named:

EXECUTIVE COMMITTEE.

C. H. Woodworth, Chairman, New York, Buffalo.
Blossom, H. M., Missouri, St. Louis.
Wachenheimer, Jacob, Illinois, Peoria.
Holden, Chas., Michigan, Grand Rapids.
Hull, R. M., Georgia, Savannah.
Kennedy, Allan, Arkansas, Fort Smith.
Norment, E. B., Texas, Paris.
Sylvester, J. A., Tennessee, Memphis.
Wheeler, D. H., Sr., Nebraska, Omaha.

LEGISLATIVE COMMITTEE.

Emmett Rhodes, Chairman, New York, Auburn.
Appel, John J., Indiana, Indianapolis.
Beardsley, E. W., Connecticut, Hartford.
Blake, E. D., Massachusetts, Boston.
Cohen, Meyer, District of Columbia, Washington.
Cosgrove, James, South Carolina, Charleston.
Duncan, H. F., Kentucky, Louisville.
Flickinger, W. B., Pennsylvania, Erie.
Hanford, Frank, Washington, Seattle.
Neale, A. W., Ohio, Cleveland.
Wilson, E. W., Utah, Salt Lake.

COMMITTEE STATE ORGANIZATION.

H. N. Pinkham, Chairman, Maine, Portland.
Ball, Walter J., Washington, Tacoma.
Brannen, R. S., Colorado, Denver.
Baker, Thomas, Jr., North Dakota, Fargo.
Foose, W. S., West Virginia, Wheeling.
Gilmour, William, Massachusetts, Boston.
Lee, Ralph W., District of Columbia, Washington.
Lunt, R. G., California, Los Angeles.
Mills, Arthur W., Arkansas, Pine Bluff.
Musser, J. H., Pennsylvania, Harrisburg.
O'Brien, J. T., Montana, Butte.
Pellet, Clarence S., Illinois, Chicago.
Reeves, John B., South Carolina, Charleston.
Smith, J. G., Alabama, Birmingham.
Thomas, F. P., Ohio, Cleveland.

President George D. Markham and Secretary Frank F. Holmes are members of the above committees ex-officio.

The following statement accompanies the announcement of the committees:

Special interest attaches to the personnel of these committees at the present time. The legislative committee will be the first committee to assume the responsibility of supervision over the legislation devised by the State associations for the needs of each State. It is expected to prevent unwise legislative projects, and to assist the State associations in legislative work that has been approved. To exercise these important functions in a manner

that will satisfy the State groups and yet protect and defend the larger interests of all the united State associations that are represented in the National Association will call for the broadest judgment and the best of tact. The president has endeavored to distribute this legislative committee among the different sections of the country, so that the views of all groups in the National Association may be represented. It will be seen that New England has two representatives, the Middle States have three representatives, the Southern States have two representatives, the Western States have four representatives, and there are two from the Far West. All of the members of the committee are experienced in legislative work, and are enthusiastic believers in the political strength of the organized local agents.

The executive committee will have some important propositions to consider. The Wilson resolution regarding cut rate companies, the question of a bulletin to association members, the question of an international conference of insurance men in St. Louis during the Louisiana Purchase Exposition, are some of the matters which must be passed upon by the executive committee.

The personnel of both the legislative and executive committees is also interesting because all the members of these committees, together with the elected officers of the association, were constituted by the Put-in-Bay convention delegates to the conference regarding single agencies. It will be remembered that the Put-in-Bay convention instructed the officers to call a conference with all companies to decide on means to reinstate the single agency system on the basis of one agent in the territory defined by his appointment.

Now that By-Law No. 4, giving the national legislative committee supervising power over State legislative projects, is practically adopted, nothing stands in the way of the single agency conference, and it is expected that a conference will be arranged at an early date, supposably in New York city. Should all the officials and committeemen of the National Association attend who were constituted delegates to the single agency conference, it would be a representative gathering, and any plan that secures the approval of such a body of local men would undoubtedly be accepted by the local agency forces all over the country.

Notice to the Mutual Reserve Fund Life Association by the Maryland Insurance Department of Intention to Refuse Relicense.

Insurance Commissioner Wilkinson, of the Maryland Insurance Department, has addressed the following communication to the president of the Mutual Reserve Fund Life Association:

INSURANCE DEPARTMENT OF MARYLAND,
BALTIMORE, December 11, 1901.

Mr. F. A. Burnham, President Mutual Reserve Fund Life Association:

DEAR SIR—For many months past this department has been receiving numerous complaints and inquiries as to the way and manner of your conducting business and as to the financial standing of your company. Some of these complaints we have thoroughly investigated, and the facts either admitted on your part or proved on the part of the complainants show such a state of affairs as renders it absolutely necessary, if we desire to protect the interest of policy-holders and would-be policy-holders in this State, that I should notify you of my intention to refuse to issue a license to your company to do business in this State for the next year, unless your action in laying liens against the old policy-holders shall be reversed. Out of the numerous complaints made against your company I made a thorough investigation of the Buckman case. The facts developed were as follows:

E. D. Buckman secured three policies in your company in May, 1884. His assessments at that time were $3.75 on each $1,000 every two months, or $22.50 per year, with $2 annual dues. Some two years later the assessments were increased to $5.63. In 1895 they were further increased to $9.03; in 1898 to $15.50; in 1899 to $18.47; in 1900 to $20.04; in 1901 to $21.76 every two months, or $130.56 annually on each $1,000 policy. According to a table furnished us by counsel for your company, if Mr. Buckman lives five years longer he will be compelled to pay in cash an additional $1,000. If he dies in a short time you have notified him that a lien for $455.60 will be deducted from the face value of the policy. He has already paid to your company about $2,800 on the three policies. I can scarcely believe that if Mr. Buckman or the other policy-holders had understood in the beginning that they would have been subjected to such numerous increased assessments, and that you claimed the right to place upon each policy a lien amounting to nearly one-half the face value of the policy, that they would have secured insurance in your company.

These largely increased assessments and the laying of this large lien is a virtual confiscation of the policy. In doing this you claim to be acting within your legal rights. This may be true. I do not undertake to settle that question. It seems clear to me, however, that a company whose financial condition requires such action to be taken is one that I can very well afford to say shall not do business in this State. You have a number of old policy-holders who have been paying their money into your treasury for some twenty years, and when they are too old to secure insurance anywhere else, you jump their assessments to nearly six times what they were originally, and in addition to that levy additional assesments and lay a lien on their policies of nearly one-half its face value.

This action upon your part has had the effect of forcing out your old policy-holders, who find themselves unable in their old age to bear such heavy burdens. The money they have paid in with the idea that they were protecting their families and laying by something that would help them in the event of death is thus swept away and lost to them forever.

In my effort to learn all the facts that could bear upon the question and make the best showing possible for the company, I visited you in New York, talked freely with your counsel in this city and sought information in all directions. The report of the New York Department is anything but a compliment to the company. From the beginning to the end it is simply a series of criticisms upon its management. I did not order an examination of the company, because there were sufficient facts admitted to be true to justify me in refusing to renew your license.

I send you this notice in ample time for you to take any legal steps that you may deem desirable. Very truly yours,

LLOYD WILKINSON,
State Insurance Commissioner.

On the receipt of the above THE WEEKLY UNDERWRITER addressed a letter to Mr. Bell, chairman of the association, asking if it desired to make a reply to Commissioner Wilkinson's statement.

Mr. Bell sent a polite response, in the course of which he said:

We cannot answer a matter which has not yet been delivered. Commissioner Wilkinson, apparently, has sent to the daily and weekly press a communication which he intended for President Burnham. In these circumstances, however much I regret to lose the chance to avail ourselves of your courtesy, the association can make no reply to a letter that, so far as we know, has not yet been written.

Germany May Drive Out the British Insurance Companies —Threats of Reprisals.

(W. A. M. Goode, in the London Daily Express.)

The American invasion of England and the increasing strength of Germany's commercial, colonial and naval competition have of late been much exploited. Yet, to a great extent, this exploitation has lacked that definiteness which Lord Salisbury declares is alone the constituent of criticism; also, as a general rule, it has been quite bereft of remedial suggestion.

Here is a definite case of German aggression against English enterprise the remedy whereof is not only clear but lies almost entirely in Lord Salisbury's hands.

Eighteen of the largest life insurance companies of England are to-day threatened with expulsion from Germany. In January next a new insurance law will come into force in that country which, though professedly an amelioration of prior regulations, imposes such prohibitive conditions that no self-respecting concern could afford to submit to them.

In other words, Germany, in response to diplomatic pressure, has deferred her actual expulsion of several large companies, but her reply simply amounts to this: "We allowed all you foreign companies in here. You built up great businesses. You

have become (despite strenuous governmental efforts to the contrary) serious rivals to German concerns.

"You can retain the business you have secured by the initial expenditure of large sums, which could only be regained by a period of uninterrupted business; but you must agree to be summarily expelled at the discretion of one individual, who will give you no reason, and from whose ruling there is no appeal."

Moreover, the unfairness of Germany's present attitude is accentuated by the fact that on the strength of this pending law she is posing as the friendly nation, willing to reciprocate in amicable trade agreements and giving to honest British competition that same degree of fairness which is accorded to German markets by England. Were the English insurance companies taking out of Germany huge sums of money, the attitude of the Berlin authorities would be a trifle more explainable.

Instead of this, however, the greater part of the money secured by the English companies doing business in Germany will have to be arbitrarily invested in German Government securities, which are not particularly remunerative. Thus the English companies will have to contribute in no small degree to the financial support of the German Empire.

They are compelled to keep their reserve funds up to a certain figure—a highly commendable regulation—but should German consols fall in price through rumors of war or other contingency the companies are compelled to make good the deficiency; in other words, to go on buying German consols until their holdings at the market price bring their reserve fund to its normal point.

The ludicrous side of the affair is that the foreign companies so affected by this regulation could, with their combined capital, buy up the whole of the German national debt.

Among the other prohibitive measures that will go into force next year are the regulations that all foreign companies must issue life policies without extra premium for war time, and that only companies with annual divisions of bonuses will be allowed to do business. In addition to these disadvantages, the most extraordinarily complicated accounts must be submitted, and the Court of Control at Berlin, a new body which is to "do away with previous restrictions," takes unto itself the right to dictate to the head offices of the various companies doing business in Germany, whether they be at London, New York, Paris or any other capital, the proper method of investing funds which never had and never will have a farthing's connection with Germany or German insurance.

There are many other objectionable features, but many of these are so technical that they would scarcely be understood or appreciated outside of the actuarial world.

American insurance companies are, with England, more deeply concerned than those of any other nation in the endeavor to prevent Germany establishing a precedent which might be only too quickly followed by other European nations. And that suggests the question: What is being done?

Some of the most prominent representatives of insurance companies have recently been in Berlin endeavoring to reason with the authorities there. They have so far succeeded, in that they have staved off the operation of the new law until January —it was to have come into force in October.

Informal consultations have been held in London, and the question of a petition to Lord Lansdowne has been mooted. But the eighteen English insurance companies sent a petition through the Foreign Office on November 20, 1900. And what was the result? Nothing—until the American Government took the matter up.

With this example fresh in their memory, the English insurance companies are staying their hands, in the hope and expectation that the American Government will again move, and will refuse to accept from Germany an unfair prohibition in the guise of concession.

The English and American companies are, as it has been pointed out, in the same box; but it is somewhat pitiful to discover that such influential interests as the eighteen English companies, with combined assets of about £90,000,000, rely, not on Downing street, but on Washington, to save for English brains, business and capital a field fairly won and worth the holding.

Here is the "definite criticism" and the direct case, not of British business apathy but of German aggression.

The remedy is obvious. A diplomatic protest by the British Ambassador at Berlin, with a polite hint of possible reprisals, would soon put a different complexion upon the matter. With "sense and spirit enough," as Junius wrote in 1772, the Government can still protect the "liberty and property" of British business interests in Germany or any other country.

A British View of Fire Insurance Reform.

(*The Insurance Record, London.*)

Something must be done as early as possible to arrest the declining fortunes of the fire insurance companies, first, of Great Britain, and afterward of the world. It is impossible that year after year the record shown should be one of continuous disaster without impairing in some degree the resources even of our best companies. Bad years are by no means a novelty in fire insurance. We had got accustomed to expect one, say, once in three, four or five years; and the prosperity of the intervening period enabled insurance companies to meet it with a light heart.

But all this is changed, whether permanently or not time will show. Practically the last five years have constituted a continuously unfavorable record, from which relief has been hoped for in vain. The sunshine even of a few months would have been welcomed joyously by our careworn managers; but even that brief season of rejoicing has been denied. There is every prospect—in many cases there is even the certainty—that the year now drawing to a close will prove to be as bad as its immediate predecessors; possibly worse than most of them; and there may be some who begin to despair of the future of the business. So long as fire underwriting continues to be worked on present lines despair would not be without some justification. But there is no reason why it should, provided resolute co-operative efforts are made in the direction of a radical remedy. It is evident that something must be done, and that the remedy must be drastic. No tinkering with existing evils will provide even temporary relief.

The question why fire insurance business has of late fallen into its present deplorable condition is one which admits of a multiplicity of answers, all more or less true, but necessarily varying according to locality and many other circumstances, the particularizing of which would be too tedious for the limited space of an article. No doubt every separate evil suggests its appropriate remedy. The evil of incendiarism and arson, so prevalent in some of the States of the American Union, for example, points to the necessity for strict investigation and prosecution by the authorities, with a view to stamping it out. That is only one illustration out of many which might be cited in support of our argument. It is needless to remark that the nostrum most favored by those who are too indolent or easy-going to go to the root of the mischief is an advance in the rates.

But we should like to ask what basis should be selected in making such advance? For, if rates are to be increased from time to time merely as a haphazard method of covering the current losses, it appears to us that fire managers will never arrive at a basis which is either sound or permanent. If losses are to be the only guide, it would be better, at all events, to confine calculations to legitimate losses, otherwise the tariff must be purely fictitious. When it is proved by official investigation that one-third or one-half of the fires in a certain district are willful, with what consistency could officials take such fires into account in framing the rates? What we would therefore suggest to fire underwriters, alike in Europe and America, is that their first efforts should be directed to the bad social and moral features of the district in which they are operating. Should they succeed in eliminating these unfavorable characteristics, they may find that existing rates are high enough—perhaps even too high—for their legitimate purpose. To rate honest people on a basis contaminated by a bad moral hazard is an injustice so obvious that grumbling and dissatisfaction need not occasion surprise.

There are some who, leaving the loss ratio out of the question for the nonce, plead hard for retrenchment in the working expenses. No one will dispute that this attitude is justified by the facts of the situation, but the question of expenses is undoubtedly the most difficult feature to deal with. If, by keeping your working outlay at 30 per cent., you incur a loss ratio of 70 per cent., it is certainly better to raise your expenses to 35 per cent., if in doing so you can limit your loss ratio to, say, 64 per cent. For there is no doubt about the fact that, in the business of fire insurance, reduced expenditure often spells increased loss. As matters stand under our present obsolete, rule-of-thumb system, however, the limit of expense is simply the margin left over when the losses have absorbed their share of the premiums.

The writer has for years held the conviction that the old system of rating is daily becoming less and less applicable to modern

conditions of business. To a seriously large extent the rating of risks is based upon mere guesswork; the guess of one underwriter being too often from 25 to 50 per cent. lower or higher than that of his neighbor. One of the two must be wrong, and unless he err on the safe side his company must be the sufferer. But, indeed, in the competitive struggle of the day, any such thing as a "safe" side is practically unknown. Under such circumstances, how can we wonder if combined losses and expenses should swallow up the entire premium income? How long is this travesty of prudence and common sense to be perpetuated, in which the good and adequately rated risks are made to pay for the shortcomings of the bad ones which are underrated, in place of every class of risk being made to pay for its own losses and expenses? We contend for a scientific system of rating, which would be practicable if fire managers were of one mind and alive to the urgency of the occasion. But if that be too large a scheme to be swallowed at one gulp, let us begin to take it periodically in teaspoonful doses.

Horse Accidents Most Numerous by Far.

(The Aetna, Accident Edition.)

Nowadays, as always, every new contrivance has to run a pretty lively gauntlet before its claim to everyday usefulness is generally recognized. The danger signal is always up to stay its advance. Those who screw up their courage to give a trial to a new invention in locomotion seem to have no other light ahead of them but the red light—Danger!

Besides anathemas, lurid and otherwise, hurled at the newcomer by those who have held the field in the past, perils and risks are conjured up in the interests of the public as likely to be incurred if a rival of other means of locomotion should be allowed to gain its way. It has now come to be the turn of the automobile to be touched by the experience of its predecessors, the steam locomotive and the bicycle. When the noble horse came into general use as man's greatest aid, doubtless there was an outcry from the conservative element that the death rate would be terribly increased. Legs, and necks even, it was feared, might become things of naught, so far as concerned those who could or would drive horses; and in any case the horse, with his propensity to shy, buck, kick and run away, was a dangerous thing and to be avoided. When the steam engine became a rival of the horse, similar fear was loudly expressed. The railway engine, however, came to stay, and the horse stayed also. Both joined forces to resist the interloping tendencies of the velocipede and the bicycle. Loud were the prophecies of their capacity to cause accidents. The outcry had hardly died away when the wheel reached the apex of favor as a means of locomotion for business or pleasure.

Another object has risen above the horizon to be greeted by the same stream of criticism. The automobile is the "dangerous animal" of to-day. That the fears so loudly expressed as to the increase of danger through the introduction of motor vehicles in our thoroughfares have little foundation in fact is shown by a French paper, the *Velo*, which keeps a monthly record of accidents in France. It appears that neither the railway, the automobile nor the bicycle competes successfully with the horse in the number of accidents. The horse is pre-eminently the "Dangerous Animal." In a single month these are the figures given in comparison for the four classes:

Accidents caused by the horse—	
Fatal	77
Injured	739
Total	816
Accidents caused by the bicycle—	
Fatal	3
Injured	66
Total	69
Accidents caused by the railway—	
Fatal	9
Injured	76
Total	85
Accidents caused by the automobile—	
Fatal	3
Injured	29
Total	32

PERCENTAGE OF ACCIDENTS DUE TO EACH CLASS.

	Per cent.
Deaths—	
By the horse	83.70
By the railway	9.78
By the automobile	3.26
By the bicycle	3.26
Injured—	Per cent.
By the horse	81.21
By the railway	8.35
By the bicycle	7.25
By the automobile	3.19

THE
Canada Life Assurance Company
OF TORONTO.
Organized 1847.
Hon. Geo. A. Cox, - - President.
This old established Company has recently entered the State of New York with new and attractive forms of POLICIES and BONDS, all payable in GOLD.
Liberal BROKERAGE and renewal commissions paid.
ADDRESS
J. A. BUCKNELL,
Manager Eastern New York. 47 Cedar St., New York.

1825. THE 1901.
Pennsylvania Fire Insurance Co.
OF PHILADELPHIA.
Cash Capital, $400,000.00
Re-insurance and all Liabilities, 2,771,038.56
Surplus, 2,163,883.97
Total January 1, 1901, $5,334,922.53
R. DALE BENSON, Prest. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Prest. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

State Mutual Life Assurance Co.,
OF WORCESTER, MASS.
A. G. BULLOCK, President.
Incorporated 1844.
Issues policies, incontestable after two years, protected by the Non-Forfeiture Law of Massachusetts. Yearly dividends.
Assets $17,754,046
Liabilities 15,889 512
Surplus January 1, 1901 $1,864,534
C. W. ANDERSON, General Agent, 189 BROADWAY, NEW YORK.

THERE ARE FEATURES IN THE FIFTY-THIRD ANNUAL REPORT OF
The Penn Mutual Life Insurance Company
Of interest to all engaged in life insurance work.
A copy on request.
THE PENN MUTUAL LIFE INSURANCE COMPANY,
921-925 CHESTNUT STREET, - PHILADELPHIA.

HANOVER
Agencies in all the Principal Places in the United States.
Fire Insurance Company
OF NEW YORK.

Provident Savings Life Assurance Society

OF NEW YORK.

EDWARD W. SCOTT, PRESIDENT.

THE BEST COMPANY FOR POLICY HOLDERS AND AGENTS.

SUCCESSFUL AGENTS, AND GENTLEMEN SEEKING REMUNERATIVE BUSINESS CONNECTIONS, MAY APPLY TO THE HEAD OFFICE, OR ANY OF THE SOCIETY'S GENERAL AGENTS.

ÆTNA

LIFE INSURANCE CO.

MORGAN G. BULKELEY, PRESIDENT

Largest Company in the World doing Life, Accident and Health business

ASSETS, OVER . . . $56,000,000.

MOWRY and PATTERSON, Managers Life Department.
GEORGE C. STERLING, Manager Accident Department.

Continental Building, 46 Cedar Street, NEW YORK CITY.

When Working for The Mutual Life...

You needn't introduce the Company—the Company introduces you. There you have it. You needn't take a minute or a word to prove where The Mutual stands or what it stands for. The whole world knows its masterful leadership—just as you know it yourself. But there are some things you may not know.

DO YOU KNOW

That **The Mutual Life** is especially helpful to agents?
That **The Mutual Life** writes the most liberal policies?
That **The Mutual Life** gives the highest guarantees?
That **The Mutual Life** has policies that meet every requirement of investment as well as of protection?

Look into these things. Take no one's say so, but investigate,

The Mutual Life Insurance Company

OF NEW YORK,

RICHARD A. McCURDY, President.

IT IS THE LARGEST FINANCIAL INSTITUTION IN THE WORLD.

Income in 1900, - - - $60,582,802.31
Assets January 1, 1901, - - $325,753,152.51

It has room for workers who are not rebaters. Address

GEORGE T. DEXTER,
Superintendent of Domestic Agencies,
NEW YORK.

COMMERCIAL UNION ASSURANCE CO.

LIMITED,
OF LONDON.

OFFICE:
Cor. Pine & William Sts., New York.

INCORPORATED 1851.

The Berkshire Life Insurance Co.

OF PITTSFIELD, Mass.

All Policies issued by the Company are subject to the Massachusetts Non-Forfeiture Law.

WM. R. PLUNKETT, President.
JAS. M. BARKER, Vice-Pres. JAS. W. HULL, Sec'y and Treas.
Agencies in all the principal cities of the United States.

Phœnix Mutual Life Insurance Co.

OF HARTFORD, CONN.

ORGANIZED IN 1851.

Assets, January 1, 1901.... ..... $13,278,711.73
Surplus at Four per cent..... 564,656.73

Total Paid Policy-holders over
—$42,500,000—

ACTIVE AND INTELLIGENT MEN WANTED AS AGENTS, with whom liberal contracts will be made. Desirable territory now open.

The new plans of the Company are brief, clear and liberal. Life and Endowment Policies have endorsed upon them definite cash, loan, and paid-up values, and in case of lapse, insurance is extended without action on the part of the insured.

J. B. BUNCE, President. J. M. HOLCOMBE, Vice-President.
C. H. LAWRENCE, Secretary.
NEW YORK OFFICE: WEED & KENNEDY, Managers, 149 Broadway.

German American Insurance Company New York

29th ANNUAL STATEMENT, JANUARY 1st, 1901.

Cash Capital, - - - -	$1,000,000.00
Reserve for all Liabilities, - - -	3,408,569.64
Net Surplus, - - - - -	4,267,711.70
TOTAL ASSETS, -	$8,676,281.34

The Union Insurance Company

OF PHILADELPHIA.

CAPITAL, - - - $200,000

STATEMENT, JANUARY 1, 1901.

Bonds, Bank and other Stocks, Market Value,	$279,180
First Mortgages on City Property and Demand Loans,	9,900
Real Estate, unincumbered, owned by the Company,	160,080
Premiums in course of collection, Interest due Company and Cash in Banks and Office,	96,032
Total Assets,	$545,120

LIABILITIES.

Reserve for Reinsurance and other Liabilities,	$239.933
Reserve for Losses under Adjustment,	33,915
Other Liabilities,	15,735
Surplus to Policy-holders,	255,537
	$545,120

Losses paid since organization, $17,874,556.

CHAS. S. HOLLINGSHEAD, President.

E. R. DANNELS, Secretary. M. JOS. NOWLAN, Assistant Secretary.

Northern Assurance Company,

OF LONDON, ENGLAND.

EASTERN AND SOUTHERN DEPARTMENTS,

38 PINE STREET, NEW YORK.

GEORGE W. BABB, Jr., Manager. T. A. RALSTON, Sub-Manager.

We Offer to Mail, for the Postage,

To Any Fire Insurance Agent

"How to Build a Home."	156 pp.	Post. 4c
"How to Build Fireproof and Slow-Burning,"	132 pp.	" 5c
"Plans and Specifications for Economical Dwelling Houses, Barns, Etc."	75 pp.	" 6c
"The Relation of Fire Insurance to the Community."	32 pp.	" 2c
"What Constitutes a Safe Electrical Equipment."	Leaflet,	" 1c

CONTINENTAL INSURANCE COMPANY,

46 CEDAR STREET, - - NEW YORK

Scottish Union & National Ins. Co.

ESTABLISHED 1824.

No. 35 St. Andrew Square, Edinburgh, Scotland.
No. 3 King William Street, E. C., London.

United States Branch: Hartford, Conn.

The Preferred Accident Insurance Co.

OF NEW YORK.

Accident Policies. Health Policies.

Large Benefits, Low Rates, Best Commissions.

December 31, 1899:

Assets,	**$779,385.45**
Surplus,	**365,124.30**

KIMBALL C. ATWOOD, Sec'y, 290 Broadway, NEW YORK.

Connecticut General Life Ins. Co.,

HARTFORD, CONN.

Assets, January 1, 1901	$3,765,824.33
Liabilities	3,416 031.86
Surplus to Policy-holders	$349,792.67

This Company offers a Policy having liberal provisions for Cash Values, Paid-Up Insurance, Residence and Travel, with Ample Security. Active and Experienced Agents Wanted.

R. W. HUNTINGTON, Jr., President. E. B. PECK, Assistant Secretary
F. V. HUDSON, Secretary. JAMES A. TURNBULL, Actuary.

INCORPORATED 1799

Providence Washington Insurance Company.

PROVIDENCE, R. I

Lion Fire Insurance Company,

84 QUEEN ST., CHEAPSIDE,

LONDON, ... ENGLAND.

United States Branch: Hartford, Conn.

The Lancashire Insurance Company

OF MANCHESTER, ENG.

MILTON DARGAN, Manager,

25 Pine Street, NEW YORK.

The Massachusetts Mutual Life Insurance Company,

INCORPORATED 1851.

SPRINGFIELD, MASS.

ASSETS—January 1, 1901	$26.245,622.04
LIABILITIES	23,920,986 53
SURPLUS	2,324,635.51

Definite Paid-up and Cash Surrender Values written in every Policy.

JOHN A. HALL, President. HENRY M. PHILLIPS, Secretary.

New York Office: Empire Building, 71 Broadway.

GEORGE J. WIGHT, Manager.

Established 1782.

Phœnix Assurance Company,

OF LONDON.

FIRE INSURANCE ONLY. LOSSES PAID OVER $100,000,000.

Head Office for the United States, 37 Liberty St., N. Y.

A. D. IRVING, Manager. E. B. CLARK, Asst. Manager.
LOUIS P. BAYARD, 2d Asst. Manager.

CHARTERED 1866.

The Old Reliable

Hartford Life Insurance Co.

HARTFORD, CONN.

In its Industrial Branch issues Whole Life, Endowment, Semi-Endowment and Life-Endowment-at-Age-80 Policies, in amounts from $10 to $500 and from ages 2 to 60.

These policies are plain in terms and conditions. Cash Surrender and other values are written in the contract. All "Hartford" Policies are in full immediate benefit in case of death by accident.

Best to sell or insure under. *Over $20,000,000 Paid in Benefits.*

GEO. E. KEENEY, President. CHAS. H. BACALL, Secretary.

Home Life Insurance Co.

256 BROADWAY, NEW YORK.

GEO. E. IDE, - - - - President.

Assets, - - - - -	$12,342,247.00
Dividend Endowment Accumulations, -	736,337.00
Contingent Fund, - - - -	65,875.00
Net Surplus, - - - - -	1,282,588.30

ORDINARY and INDUSTRIAL PROFIT SHARING POLICIES.

EXCEPTIONAL ADVANTAGES TO

..... Active Agents.

WRITE TO

THE PRUDENTIAL INSURANCE CO. OF AMERICA

JOHN F. DRYDEN, President. Home Office: NEWARK, N. J.

National Life Insurance Company of Vermont.

J. C. HOUGHTON, President.
JOS. A. DE BOER, Vice-President.
O. D. CLARK, Secretary.

THIS COMPANY HAS GAINED IN THE LAST DECADE,

In Assets, . . .	$12,275,109.34, or 160.96 per cent.
In surplus, . . .	1,089,332.69, or 119.47 per cent.
In insurance, . .	48,102,491.00, or 93.64 per cent.

Sells the Most Modern, Profit-Sharing, Non-Forfeitable Contracts of Life, Term, Endowment and Annuity Insurance. Correspondence from interested parties promptly recognized. Good agency contracts for reliable men.

J. F. MAKLEY, General Manager,
149 Broadway, New York.

Personal Accident. **Plate Glass Insurance.**

ATTENTION, AGENTS and BROKERS!

The Central of Pittsburg, Pa.,

is the best company for the **Customer**, the **Broker** or the **Agent**. In the above lines of insurance it sells the **Best Policies**. Call on or address

Central Accident Insurance Company, Pittsburg, Pa.

ESTABLISHED IN 1822.

THE NATIONAL ASSURANCE COMPANY OF IRELAND.

GEORGE E. KENDALL,
United States Manager,
HARTFORD, CONN.

National Fire Insurance Company,

HARTFORD, CONN.

JAMES NICHOLS, President. B. R. STILLMAN, Secretary.
H. A. SMITH, Assistant Secretary.
HEAD OFFICE, 95 Pearl Street, Hartford, Conn.

WESTERN DEPARTMENT.
FRED. S. JAMES, General Agent.
G. W. BLOSSOM, Asst. Gen'l Agent.
Office, 174 La Salle St., Chicago.

PACIFIC DEPARTMENT.
GEO. D. DORNIN, - Manager.
GEO. W. DORNIN, Asst. Manager.
Office, 409 California St., San Fran.

1850. THE 1901

United States Life Ins. Co.

IN THE CITY OF NEW YORK.

GEORGE H. BURFORD, President.

FINANCE COMMITTEE.

GEO. G. WILLIAMS, . . . *President Chemical National Bank*
JOHN J. TUCKER, ... *Builder*
E. H. PERKINS, JR., *President Importers' and Traders' National Bank*
JAMES R. PLUM, ... *Leather*

Active and successful Agents who desire to make Direct Contracts with this well-established and progressive Company, thereby securing for themselves not only an immediate return for their work, but also an increasing annual income commensurate with their success, are invited to communicate with RICHARD E. COCHRAN, 3d Vice-President, at the Company's Office, 277 Broadway, New York City.

Assets over $8,000,000. **Insurance in Force, over $40,000,000**

Caledonian Ins. Co.,

FOUNDED 1805. of Scotland.

"The Oldest Scottish Insurance Office."

United States Head Office, 27-29 Pine Street, New York City.

STATEMENT JANUARY 1, 1901.

Assets	$1,910,617.66
Liabilities	1,101,382.62
Net Surplus in the United States	$809,235.04

CHARLES H. POST, U. S. Mgr. N. A. MCNEIL, Ass't U. S. Mgr.

Sun Ins. Office of London, England.

J. J. GUILE, U. S. MANAGER.

OFFICE: 54 PINE STREET, NEW YORK.

The Union Central Life Ins. Co.,

CINCINNATI, OHIO.

Assets, January 1, 1901, ...	$26,440,297.28
Surplus, ...	3,693,343 46

No Fluctuating Securities. Largest Rate of Interest. Lowest Death Rate.

Endowments at Life Rates and Twenty Payment Guaranty Policies Specialties.

Large and increasing Dividends to Policy-holders. DESIRABLE CONTRACTS and GOOD TERRITORY open for LIVE Agents.

Address JOHN M. PATTISON, President.

The Agricultural Insurance Company of Watertown, N. Y.

ESTABLISHED 1853.

Assets, January 1, 1901 ..... $2,283,558.42
Total Liabilities, except Capital $1,240,017.87
Joint Stock Capital 500,000.00

Western Assurance Company.

HEAD OFFICE: TORONTO, CANADA.

INCORPORATED 1851.

Hon. GEO. A. COX, President.
J. J. KENNY, V. P., and Managing Director.

UNITED STATES STATEMENT, JANUARY, 1901.

Assets $2,016,370.78
Surplus in United States 638,430.59

Instituted in Reign of Queen Anne, A. D. 1714.

Union Assurance Society of London

No Overhead Writing

No Dual Agencies.

Loyalty to Local Agents.

United States Offices: Society's Building,

35 Pine Street, New York, ... Hall & Henshaw, Managers
171 La Salle Street, Chicago, . . . Hall & Henshaw, Managers
35 Kilby Street, Boston, . . Hall, Henshaw & Gilmour, Managers
English-American Building, Atlanta, Ga., . George N. Hurt, Manager
Mining Exchange Building, Denver, Col., Gerald L. Schuyler, Manager

AGENTS IN ALL THE PRINCIPAL TOWNS AND CITIES.

The Mutual Benefit Life Insurance Co.

NEWARK, N. J.

AMZI DODD, - - PRESIDENT.

ASSETS (Market Values) Jan. 1, 1901 ..... $74,311,468.25
LIABILITIES, N. J. and N. Y. Standard 68,186,103.34
SURPLUS 6,125,364.91

MUTUAL BENEFIT POLICIES

—CONTAIN—

Special and Peculiar Advantages

WHICH ARE NOT COMBINED IN THE

POLICIES OF ANY OTHER COMPANY.

Provident Life and Trust Co.

OF PHILADELPHIA.

The best in Life Insurance is likely to be the cheapest. The same fidelity, skill and care which are necessary to guarantee the future security of a company result in the lowest cost. A good test, therefore, is to determine whether the organization and the surroundings of a company exclude all doubt as to future security. In determining this the question of cost is determined also. **THE PROVIDENT LIFE AND TRUST COMPANY** invites inquiry as to its organization and the provisions for safety afforded. For the full period of its existence the death rate has been only .614 of the rate indicated by the authoritative tables.

INCORPORATED 1865

GERMAN INSURANCE CO.

OF FREEPORT, ILL.

The Largest and Most Successful Fire Insurance Company in the West.

Assets, January 1, 1901, ... $3,656,401.59
Cash Capital, ... 200,000.00
Liabilities, including reinsurance, ... 2,181,179.89
NET SURPLUS, ... 1,275,221.70

C. O. COLLMAN, Pres. HENRY BAIER, Vice-Pres. D. B. SCHULTE, Treas.
WM. TREMBOR, Sec. F. M. GUND, Ass't Sec.

Head Office for the United States:

57 and 59

William Street,

NEW YORK.

A. G. McIlwaine, Jr., Manager.

The American Fire Insurance Co.,

PHILADELPHIA, PA.

CASH CAPITAL $500,000.00
Reserve for Reinsurance, and all other Claims 1,603,605.54
Surplus over all Liabilities 247,360.42
TOTAL ASSETS, JANUARY 1, 1901 ..... $2,477,069

THOMAS H. MONTGOMERY, Prest.
RICHARD MARIS, Sec. and Treas. WM. F. WILLIAMS, Asst. Sec.
WM. B. KELLY, Gen. Mgr.

DIRECTORS—Thomas H. Montgomery, Israel Morris, Pemberton S. Hutchinson, Joseph E. Gillingham, Charles S. Whelen, Edward F. Beale, John S. Gerhard, Edward Lowber Welsh, Archibald R. Montgomery.

The Manhattan Life

OF NEW YORK.

STRENGTH,
SECURITY,
SOLIDITY

ARE THE WATCH-WORDS OF THE COMPANY

Assets, $16,367,635.69
Surplus, 1,706,854.98

Live, energetic men are wanted for several pieces of excellent territory. Very interesting propositions will be made to first class men.

ADDRESS:

W. B. LANE. 2D VICE-PRESIDENT.

EVERY MODERN FORM OF POLICY ISSUED.

1846—1901.

THE CONNECTICUT MUTUAL LIFE

Insurance Company.

WHERE THE CONNECTICUT MUTUAL STANDS.

During all the long struggle out of which this situation has developed, and amid the many schemes devised to attract public attention and favor to something else than life insurance, the attitude and position of the Connecticut Mutual have never been doubtful.

It has held to the cardinal facts: Life insurance is for the protection of those dependent on a man's life; their dependence makes it his unavoidable duty. Those dependents we assume to protect by our contract, at his personal cost; our duty to them is to make that protection as large, as secure, and as certainly available to them as possible; our duty to him is to make its cost to him as small as possible.

JACOB L. GREENE, President. **HERBERT H. WHITE, Secretary.**
JOHN M. TAYLOR, Vice-President. **DANIEL H. WELLS, Actuary.**

The Metropolitan Life Insurance Co.

(INCORPORATED BY THE STATE OF NEW YORK.)

"The Leading Industrial Insurance Company of America,"

IS REPRESENTED IN ALL THE PRINCIPAL CITIES OF THE UNITED STATES AND IN CANADA. THE PAYMENT OF OVER 250 DEATH CLAIMS DAILY TELLS OF THE GOOD IT DOES. INSURANCE IN FORCE OF OVER $900,000,000 ATTESTS ITS GREATNESS AND FAVOR WITH THE PUBLIC.

Permanent, Profitable and Progressive Employment.

AGENTS WANTED—Any honest, capable, industrious man, who is willing to begin at the bottom and acquire a complete knowledge of the details of the business by diligent study and practical experience can, by demonstrating his capacity, establish his claim to the highest position in the field. It is within his certain reach. The opportunities for merited advancement are unlimited. All needed explanations will be furnished upon application to the company's superintendents in any of the principal cities, or to the Home Office, No. 1 Madison Avenue, New York City.

JOHN R. HEGEMAN, President.

HALEY FISKE, Vice-President. GEORGE H. GASTON, Second Vice-President. GEORGE B. WOODWARD, Secretary. J. J. THOMPSON, Cashier and Assistant Secretary. JAMES M. CRAIG, Actuary. JAMES S. ROBERTS, Assistant Secretary. STEWART L. WOODFORD, Counsel. THOS. H. WILLARD, Medical Director. A. S. KNIGHT, Assistant Medical Director.

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.

FOUNDED 1792.

Assets, January 1, 1901		$9,583,791
LIABILITIES—Reserved for Reinsurance and all other claims	$4,805,254	
Capital Stock	3,000,000	
Surplus over all Liabilities	1,778,537	$9,583,791

Agents in all the principal towns and cities.

CHARLES PLATT, President. EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. BENJAMIN RUSH, Second Vice-President.
T. HOUARD WRIGHT, Marine Secretary. JOHN B. ATWOOD, Assistant Secretary.

Offices in New York: Fire, William and Pine Sts.; Marine, 63 Wall St.

THE Fidelity and Casualty Company,

97-103 CEDAR STREET, NEW YORK CITY.

Assets, $4,435,558.87. Surplus, $1,107,870.54.
Losses Paid to June 30, 1901, $13,478,114.16.

CASUALTY INSURANCE SPECIALTIES:

Bonds of Suretyship for persons in positions of trust, Personal Accident, Plate Glass, Boiler, Elevator, Employers' and Landlords' Liability.

OFFICERS:

GEORGE F. SEWARD, President.
ROBERT J. HILLAS, Secretary and Treasurer.
HENRY CROSSLEY, Assistant Secretary.
FRANK E. LAW, Second Assistant Secretary.

The Weekly Underwriter:

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All communications should be addressed to THE WEEKLY UNDERWRITER, 58 William Street, New York.

Checks and money orders should be made payable to the order of THE WEEKLY UNDERWRITER.

THE presence in New York of Mr. Markham, president of the National Association of Local Fire Insurance Agents, is indicative of the near approach of the conference for which the agents have asked and which the companies will not refuse to concede to them, on the burning question of multiple agencies. The official request has been made by letter to President Sheldon, of the National Board of Fire Underwriters, and he will lay it before the members of that body. We assume from an examination of the blanks sent us, which have been circulating among the agents in the larger cities, that the representatives of their national organization will come to the conference loaded down with the kind of facts which will illuminate the whole subject. The blanks are certainly exhaustive, and if they have been returned with anything near completeness, they will supply a body of information as to the beliefs, desires, hopes and apprehensions of agents such as never before has been gathered.

THE insurance legislation of 1901 was rounded up last week by the Georgia Legislature, which adjourned and went home with a better record than was expected of it. The threatened restoration of the large deposit to be required from fire insurance companies was not realized, the insurance tax was not increased and the valued policy bill went to pieces while the champion of insurance in the Legislature was dealing doughty blows upon its already shattered frame. The value of intelligent co-operation and effort to prevent vicious legislation is well illustrated by the proceedings of the underwriters in Georgia. The chief city of the State being the Southern headquarters for most of the agency companies, the best talent in the business in the South is congregated there and Georgia insurance legislation gets the benefit of it. The movement to increase the deposit had some support from companies interested in narrowing competition and was at first understood to be advocated by the insurance department, but the growing material interests of the State begin to suffer from lack of sufficient fire insurance facilities, and it was this consideration undoubtedly that caused the matter to be dropped early in the session. Deposit laws are wrong on principle and relics of the mediæval idea that trade must be put under bonds to insure its honesty. The superstition lingers in other localities, but happily for the insurance business it is not general. The late Clarence Knowles was the successful legislative advocate of a broader policy, as well as the efficient guardian of insurance interests in the Legislature, and has had an adequate successor in Mr. Egleston. Georgia insurance law-making in 1901 is confined to four acts, which do not affect the bulk of the business in the State.

IN adjustments of fire insurance losses in this country there crops out from time to time—and with increasing frequency we notice—the fact that risks of many kinds are being written in the Lloyds of London. It will be well, therefore, to recall the warning which was given out by this institution a few years ago, and which was published in the *Post Magazine* February 8, 1896. Here it is:

> In view of the increasing number of policies effected at Lloyds covering risks not connected with marine insurance, the committee of Lloyds desire to call attention to the fact that the deposits and guarantees lodged with them by underwriting members as security for their individual liabilities contracted at Lloyds are applicable only to settlement of claims arising upon policies which relate to the following subject matters of insurance, viz.: Vessels of any description (including barges and dredgers), cargoes, freights and other interests which may be legally insured in, by or in relation to, vessels, cargoes and freights; goods, wares, merchandise and property of whatever description, insured for any transit by land or water, or both, and whether or not including warehouse risks or similar risks, in addition or as incidental to such transit.

The subscribers, it will be seen, limit their legal liability to marine losses and losses to goods strictly in transit by land or water and do not apply it to property immovable of any nature. While losses upon risks of the latter character may be paid, it will not do to trust implicitly to their being met always, and they can legally be repudiated at the will of the underwriters. The Lloyds business is being written on other than marine and transit risks here without license from the States' authorities and, like most underground business, cannot be depended upon.

THE interesting information is received from Mississippi that the protracted litigation instituted by the State authorities against the fire insurance companies has come to an end by the action of the State itself, which withdraws its injunction suits, and that "the dawn of brighter things" is in sight. The trouble began with a former attorney-general and all the South Eastern Tariff Association companies were involved. Some of the Atlanta managers used to sit up nights worrying over the situation in Mississippi until the happy thought struck the association of retiring officially from the State. Apparently there is no reason now why it should not return. The present State Auditor, Mr. Cole, who has official supervision of the insurance business, is well disposed toward the companies, and the recommendations in his biennial report regarding insurance legislation, which we have before us, are in the main very good and show a proper appreciation of the needs of the State and the companies in their relations with each other. He proposes a readjustment of the method of laying taxes on the several classes of insurance companies which will

be nearer equitable and serve to induce more companies to enter the State. A fire marshal law is strongly advocated. The control of the swarm of assessment concerns which now roam the State at "their own sweet will" is advised. The auditor favors the creation of a separate State office which shall have supervision of insurance, banking and sundry other business interests. If the Legislature agrees, we are sure that he is the man to fill it. We learn that these matters can come before the next session of the Mississippi Legislature only on the special recommendation of the Governor. He has not as yet made any sign of his intentions.

Facts and Opinions.

THE investment in its great Madison square building having proved so advantageous, the Metropolitan Life insurance company has decided to expend about $1,500,000 in its enlargement and improvement. With this possibility in view the company has for several years been acquiring the property in the neighborhood of the building. The extension will be of the same general type of the present substantial and beautiful edifice. Plans were filed last week by N. Le Bran & Sons, architects, and the result will be one of the largest buildings of its kind in the world. Work has already begun on the foundation. The company, having foreseen the possibility of enlarging when it first built, left ends of the steel beams uncovered, so that they might be readily connected. This will greatly facilitate the erection of the new building, which the company expects to occupy by May 1, 1903. Its general outline will follow as nearly as possible the old building, of which it will become a part. It will be twelve stories in height, fronting 280 feet on Twenty-third street and 100 feet on Fourth avenue, where its northern line will be flush with the Lyceum Theatre building, and will be constructed entirely of white marble of the variety known as Tuckahoe. A corridor 22 feet in width and having arcades on both sides will form a connecting link from the Madison avenue and Twenty-third street entrance to Fourth avenue. There will be a central court, around which the Metropolitan company proposes to have its quarters, renting the remaining space in the building for offices. The company has planned a tunnel to connect its new building with the underground station at Twenty-third street. The building will be absolutely fire proof and will cover an area of 28,000 square feet.

IN the United States Court at Atlanta, Ga., on Saturday Judge William T. Newman passed an order confirming the report of B. H. Hill, master in the Manhattan Fire insurance company case. Under the order the holders of fire loss claims in Georgia are given priority over the holders of unearned premium claims in Georgia, thus giving to the former first lien on the $10,000 deposit held by the State Treasurer. The deposit was made by the Manhattan Fire insurance company, of New York, to protect policy-holders in Georgia. The deposit consists of Georgia State bonds, worth about $12,000, and Judge Newman directs the Treasurer to turn over the bonds to Otto Kelsey, receiver for the company in Georgia and New York, or to his attorneys, Felder & Rountree; also that the receiver advertise in a newspaper in Atlanta daily for one week for bids for the bonds. The bids will be opened at noon on December 23, next Monday, and a report will be submitted to the United States Court. The court reserves the right to reject any and all bids. The amount realized from the sale of the bonds is to be devoted to paying the fire loss claims held by citizens of Georgia, after the expenses of the case, including such allowances as may be made by the court to cover fees and costs, have first been met. Any part of the amount remaining after the above payments have been made goes to the holders of unearned premium claims.

THE vice-president of the Continental insurance company writes with his customary vigor in a communication to the *Journal of Commerce* on the "expense question." Among a lot of things more or less uncomplimentary to some of his competitors, Mr. Evans says:

> It strikes me that those who "holler" the loudest are the ones that need the closest watching. The fire insurance business is in the hands of a queer lot of people—men who, as a class, spend their time worrying about their customers' feelings instead of their stockholders' interests. The fire insurance business per se is to-day a losing business. It should yield at least 5 per cent. profit. No doubt there are some (not many) classes of risks that pay too much rate. Competition will bring about reductions in due time. There is one great non-paying class—stocks of merchandise. Every company's record, if properly kept, will show this to be a fact. It is the class that yields more premium than any other, and in order to make it pay rates must be advanced from 33 1-3 to 40 per cent. It is not subject to important competition from mutuals or other outsiders, including the so-called high commission companies. It is property that must be insured, and there is no earthly reason why the class should not pay an adequate rate if the "profession" had sense and grit enough to charge it. The Continental is not suffering. Its insurance business is not losing any money for it, and those who own it and manage it can afford to bide their time. Many a new grave is being dug and will be filled by the remains of companies controlled by men that know not what they do, and are such idiots that they cannot be made to see what fate awaits them.

ON November 29 a fire in the worsted mill of Fairbrother, Inman & Saxondale, at Pascoag, R. I., totally destroyed that plant. The insurance involved was $92,000 and the loss probably somewhat more. The mill had been stopped the day before, and the fire broke out at 12:30 o'clock on the morning of the 29th. The report of the Boston Manufacturers Mutual Fire, which company was not interested in this loss, remarks: "In the judgment of the inspector the sprinklers did not work, probably for lack of water in the tank, the overflow from which supplied sinks. This mill had a complete sprinkler equipment, poor tank supply, two pumps which should have given five streams, and yard hydrants with hose attached. There is no apparent cause for the fire and no positive evidence that any of the apparatus was used." While the information regarding this fire is hardly definite enough to warrant positive conclusions, it would seem to point again the lesson that the usefulness of even a very good fire protective equipment may be nullified by the neglect of any one of the factors that constitute its efficiency.

As an advocate of life insurance the Rev. Dr. T. DeWitt Talmage is on record for many forcible appeals to his auditors, and in his sermon of December 1 last he recurred to the subject in his characteristic style, thus:

> Young man, the day before or the day after you get married go to a life insurance company of established reputation and get the medical examiner to put the stethoscope to your lungs and his ear close up to your heart, with your vest off, and have signed, sealed and delivered to you a document that will, in the case of your sudden departure, make for that lovely wife the difference between a queen and a pauper. I have known men who have had an income of $3,000, $4,000, $5,000 a year who did not leave one farthing to the surviving household. Now, that man's death is a defalcation, an outrage, a swindle. He did not die; he absconded. There are a hundred thousand people in America to-day a-hungered through the sin of improvidence. "But," say some, "my income is so small I cannot afford to pay the premium on a life insurance." Are you sure about that? If you are sure, then you have a right to depend on the promise of Jeremiah, forty-ninth chapter, eleventh verse: "Leave thy fatherless children; I will preserve them alive, and let thy widows trust in me." But if you are able to provide for them, remember you have no right to ask God to do for your household that which you can do for them yourself.

THE Kentucky Court of Appeals on December 12 construed the section of the insurance laws providing for service of notice

upon the State Insurance Commissioner or any of the agents in the case of a foreign insurance company doing business in Kentucky to mean that the consent to service on the Insurance Commissioner is not limited to the time when the foreign company is soliciting business in the State, but extends to all business that it may do while there; that so long as a policy is in force or a loss thereunder remains unsatisfied this consent to service on the Commissioner of Insurance is binding. The question was raised in the case of the Germania Fire insurance company against S. A. Ashby, appealed from the Muhlenberg Circuit Court. The decision of the higher court is an affirmance of the judgment of the Circuit Court. Ashby sued to recover on a total loss of property insured. The company resisted on the ground that it had withdrawn from the State and that service on the State Insurance Commissioner was not legal.

CONVENTIONS of insurance men to compare views on the state of the business are almost unknown in Britain, and the *Commercial World*, of London, thinks that it ought to have them. It says:

The insurance convention is peculiarly American. Great Britain has had an actuaries' congress, the Federated Institutes have foregathered together, and occasionally, so we are informed, a section of agents have been known to meet together and bluster, fret and fume to their own entire satisfaction, but a congress on the American plan, where all the best men of the business meet for a few days, sometimes even a week, and air their views in a series of contributions which would in the bulk fill a fair sized weekly insurance journal for a year, is unknown. When one scans the interesting papers read at these gatherings and notes the abundant good fellowship which appears to be one of their most distinguishing characteristics, the feeling arises that we are the losers for this lack of the "convention." And in this we are slow. Is there not a man on this side with influence enough to lead in the establishment of a custom which would, we feel convinced, be a great power for good in the insurance world, and would moreover give some of the home insurance papers, who need it badly, an excuse for appearing in the "slack" season?

AT last Saturday's meeting of the New England Insurance Exchange Mr. John B. Cornish presented the following tribute to the late Colonel Ransom, which was unanimously adopted:

In the death of Col. Chauncey M. Ransom, the New England Insurance Exchange desires to express its deep sense of loss of one who for many years was a masterful and fearless exponent of the best principles that underlie the science of fire underwriting. Holding a position at the very front of insurance journalism, he made a study of insurance in all its branches. By both voice and pen he did much to shape thought on this subject, and put it in practical form, with a judicial equipoise that so guarded the rights of the public and of insurance interests as to win the approval and good will of all. To do this successfully proved the mental and moral fibre of the man. Coupled with this gift of forcibly presenting his well thought-out views touching the perplexing and complicated problems that continually face the underwriter, he had a grace and gentleness of manner that gave him a charming personality. Be it therefore

Resolved, That the New England Insurance Exchange hereby records its deep regret at the loss of a true and stanch friend in the death of Colonel Ransom and extends to the family of the deceased its sincere sympathy.

IN the Connecticut Superior Court at New Haven, on Tuesday, Judge Shumway appointed Robert D. Chase, secretary of the Masonic Mutual Benefit Association of Connecticut, as temporary receiver of that organization. The application for a receiver was made by a vote of the directors of the association. In the application it was stated that the association has liabilities of over $82,000 and assets of about $7,000; that its membership, which now numbers 1,600, has fallen off 350 during the past year, and that the average age of the members is so high that the mortality has rapidly increased. The association has been in existence for twenty-eight years. The granting of the application was opposed by J. F. Wynne, who said he appeared for a number of members of the association. He did not name the members, but said they felt there had been mismanagement, although they did not allege that there had been misappropriation of funds.

MORE trouble has been stirred up in Chicago over the fire in the Lincoln avenue car barns, the loss being twice that which the companies were assured would be possible when the lines were placed. At that time they were furnished with a schedule of "estimated distribution of liability under policies covering on rolling stock," giving the maximum storage capacity of each house. This showed on the face that there could not be more than $73,000 loss in the burned barns, but the car company is now claiming that all its summer cars were stored there and puts the loss on cars at $175,000. The Hartford Fire has already canceled its $100,000 policy and the Queen its policy for $50,000, on the ground that if there can be such a mistake about this item others may be equally unreliable, and they cannot know where they stand. Other companies are likely to follow their example.

THE Poles of Chicago are finding out what it means to be members of a mutual fire insurance company. Several years ago some members of the great Polish colony there organized the Pulaski Mutual, operating almost entirely among their own people and having several thousand members. They got along fairly well at first, but finally endeavored to branch out and take general risks. Then they began to accumulate losses, the members began to drop out, and finally came the receiver. This person has now sent to 2,000 former members notice of an assessment to pay losses, accompanied by a copy of the law showing them to be liable, and they have organized to fight. They say that the assessments aggregate $150,000, much more than is needed, and charge that the politicians are trying to make a good thing out of the job.

WHAT hopes the majority of the Western departments may have had of closing the year with a profit ended when the mercury dropped away below zero the first of the week. On Sunday the losses for the country were estimated at over $1,000,000, largely due to overheated stoves and furnaces. In Chicago the loss was over $200,000. The Lincoln avenue barns of the Union Traction Company were entirely destroyed by a fire which started from an overheated car stove, destroying several hundred summer cars which were stored on an upper floor. Some large lines are revealed by the list of insurance, the Liverpool and London and Globe, Phenix of Brooklyn, Hartford Fire, National of Hartford, and North British and Mercantile, all having $100,000 at risk under the floater covering on cars wherever they may be.

ENGLISH insurance papers say that the Mutual Reserve Fund Life Association cannot legally tax its policies in the United Kingdom with the lien provided for under the amended constitution or by-laws, the reason being that in 1890 all reference to the constitution or by-laws or amendments thereto was taken out of the application and policies in Great Britain. The cause of this action on the part of the Mutual Reserve Fund was that in 1890 the late Chief Justice Coleridge, in a suit for libel brought by the association, pointed out that the constitution or by-laws were made part of the policy contract, with the amendments thereto. It was thereafter nearly impossible for the association to get business in that country until the objectionable features were removed from the policy.

THE officers of the National Association of Local Fire Insurance Agents are much pleased with the answers so far received to its circular asking for information on the multiple agency question, for use in the proposed conference with the companies. A number of answers have been received, some of them from the largest cities in the country and from recognized leaders in the agency movement, and they are practically unani-

mous in sustaining the position assumed by the association. It is now expected to open negotiations soon for the conference, which will probably be held in New York, and as soon after the beginning of the year as may be convenient for the representatives of the companies.

THIS is the kind of daily newspaper comment which Commissioner Dearth's sudden official aberration is bringing forth in Minnesota. He should pull himself together at once. The Duluth, Minn., *Herald* says:

The incident is but another illustration of the many unjust combinations which exist by which the people are made to pay exorbitant rates for many things. * * The action of Insurance Commissioner Dearth is to be commended. There is a law on the statute books of Minnesota to prevent just such a trust, and its provisions are very plain. The action of a company ordering that universal rates be maintained is regarded as a plain violation of the law, and should not, and will not, be allowed. Mr. Dearth holds that every local board of underwriters is a trust, and consequently every city in Minnesota is interested in the outcome of this Winona case.

THE Chicago newspaper clamor that the bad fires of Sunday in that city were due to frozen hydrants started a revolt among the Chicago local agents against the practice of having the winter packing of the hydrants done by contract, instead of being looked after by the firemen, who are pretty sure to see that the work is done properly. President Pellet, of the Chicago Underwriters Association, says that when the contract plan was tried three or four years ago it was estimated that it cost the companies a million dollars in extra losses. Chief Musham, of the fire department, on the other hand, says that so far he has heard no complaints from his men against the packing.

A SURPRISE came to the life underwriters of Chicago when the successor to George W. Riggs as manager of the Washington street branch of the New York Life was announced. It seems that several of the employees in that office expected the place, and all assumed that it would go to a New York Life man, but Ralph C. Stevens, of the Illinois Life, was named. Mr. Stevens is a son of E. D. Stevens, who retired several years ago as secretary of the Illinois Life, and has been manager for the State of Illinois outside of the metropolitan district. He has been doing well for his company, but preferred the attractions of a salary and Chicago to commissions and the road.

THE monthly report of the Boston Manufacturers Mutual Fire for November cautions the members of that company as follows: "Some of our members now make use of gasoline automobiles in passing to and from their works. These machines, when stopped and left under pressure, are hazardous. We have the record of several fires occurring outside our risks. Members are, therefore, cautioned not to put up automobiles operated with gasoline within premises insured by us, unless the pressure is taken off and the gasoline withdrawn from the machine for outside storage during the period of rest."

CHICAGO now has another murder case in which a New York Life policy is supposed to furnish the motive. Mrs. Elizabeth Goodrich is on trial for killing her husband, whom she found with another woman and shot, but she claims that the shooting was accidental. The State furnishes the motive in the fact that a few days before the shooting Mrs. Goodrich induced her husband to make over to her alone a $5,000 policy in the New York Life, which formerly had been for the joint benefit of herself and her mother.

THE Western Fire, Marine and Plate Glass, of Chicago, is making a desperate fight to save its charter from the attack made on it by the Illinois Insurance Department. The case was called Tuesday, the whole of that day being taken up by the argument of the attorney for the company to the effect that under its special charter it was exempt from the jurisdiction of the Insurance Department, the only State authority to which it was liable being the Attorney-General, who could examine it if he saw fit.

IN a note to the editor Mr. W. D. McCrackan, chairman of the Christian Science Publication Committee, disclaims responsibility for Christian Scientists for the "Eddyite Prayer Against Dyspepsia," which was reprinted in our columns from a contemporary recently. Mr. McCrackan says that his people have no affiliation with Mr. Hazzard, president of the "New York School of Primitive and Practical Christian Sciences," who is the reputed author of the prayer.

THAT well-known standard publication, "Statutory Requirements Relating to Insurance in the United States and Canada," published by the Insurance Journal Company of Hartford, reappears in a new edition, corrected to November, 1901, by Oliver R. Beckwith, attorney-at-law. The work of revision has been done with care and lucidity, and the handy form in which the book is issued renders it indispensable for those who have daily use for such a compilation.

THE Milwaukee Board of Fire Underwriters, by unanimous action, has rescinded the reduced rate clause, which has been in use there for years, under which no inventory was required when the loss was less than 5 per cent. of the amount of insurance. The change strikes at the large insurers, as the clause applied to each item or division when a policy covered more than one.

THE Fireman's Fund has acquired by way of reinsurance the business of the Boston insurance company in Illinois (except Cook County), Ohio, Indiana, Michigan, Wisconsin, Minnesota, South Carolina, Florida, Louisiana, Alabama, Kentucky and Tennessee. The business thus transferred carried premiums aggregating $180,000, with a loss ratio of 51 per cent. last year.

At the board meeting of the Lawyers Title insurance company, of New York, held on Tuesday, Fourth Vice-President William H. McIntyre, of the Equitable, and George H. Squire and John Harsen Rhoades were elected directors. On the same day Vice-President McIntyre was also elected a director of the Chicago, Burlington and Quincy Railroad Company.

RATIFICATIONS of the legislative committee clause in the new by-laws of the National Association of Local Fire Insurance Agents are still coming in at the headquarters of the association. A few States have suggested objections, while approving the general plan for the good of the cause. The only State to directly oppose the measure is Kentucky.

IT is the ruling of the Delaware Insurance Department, relative to the resident agency law passed by the Legislature of that State in 1901, that all policies covering property situated in the State must be countersigned by a regularly licensed and authorized agent resident in the State, whether they be original policies or contracts of reinsurance.

SUITS against the Mutual Life of New York for $20,000 and the Provident Savings Life for $12,500 have been instituted by Mrs. Maria K. King at Tacoma, Wash. She avers that those amounts were insured on the life of her late husband. The companies claim that the policies lapsed for non-payment of premiums.

THE translation of Mr. Lunger from the New York Life to the Travelers has caused the promotion of Arthur Hunter

and A. R. Grow, of the actuarial department of the former, to the position of assistant actuaries. Mr. W. H. Pierson has been appointed superintendent of the actuaries' department.

THE headquarters of the Queen insurance company in Boston after January 1 will be in the premises No. 12 Central street, which will be improved for the purposes of the occupants-to-be, Messrs. Dewick & Flanders, managers for Boston, and William Bush, special agent for New England.

We do not know who the editor of the Monroe *Evening News* is, but from his gabble and his preference for bargain counter fire insurance we hazard the guess that he is a woman.—*The Vindicator.*

Isn't it a little hazardous to write that way about a Louisiana editor?

THE new scheduled risks committee of the New England Fire Insurance Exchange held its first meeting Friday afternoon of last week. Only preliminary work was done. The committee will meet at 4 o'clock p. m. every Friday.

The Delaware and Reliance, of Philadelphia, have decided to withdraw from Kansas City and will take up their supplies on January 1. Insufficient water supply is the reason offered.

Personal

AGENCY APPOINTMENTS.

Anchor Fire of Cincinnati: Farr & Shannon, general agents for Western Ohio and Indiana, with headquarters at Eaton, Ohio.

Colonial of New York: Donigan & Saunders, Lawrence, Mass.

Continental Casualty: Addison A. Gulick, Worcester, Mass.; B. L. Sawtelle, Leominster; E. P. Luce, Somerville.

Firemen's of Newark: Oliver Walker & Son, Northampton, Mass.

Greenwich: R. H. Fitzgerald, special agent for Kentucky, Tennessee and Alabama.

Manchester Fire: J. B. Tallman, special agent for Minnesota and South Dakota, succeeding W. H. Cobban, resigned.

New Hampshire Fire, Providence-Washington, Thuringia and Middlesex Mutual: Mrs. Lucy C. Snow, Medway, Mass. Mrs. Snow is the widow of the late agent, James A. Snow, who met his death in Boston by being crushed by a freight engine while crossing the track on November 29.

Phœnix Mutual Life: Walter H. Cobban, of Minneapolis, manager for Minnesota and the Dakotas.

Queen: J. G. Hubble, special agent for Kansas and Oklahoma.

St. Paul Fire and Marine: Charles A. Kelley, of Terre Haute, special agent and adjuster for Michigan, Indiana and Kentucky.

Mr. Oscar F. Bresee, of Baltimore, for more than thirty years the Mutual Life's manager there for Maryland and Virginia, died on Tuesday after a year's illness. Mr. Bresee met with a severe accident from a cable car in New York last year and had been in poor health since, and November 15 he had a stroke of paralysis. He was seventy-six years old. Mr. Bresee was for many years one of the most active and prominent of the company's general agents.

Pierre Lorillard's life insurance amounted to $166,837, in the following companies: New York Life, $20,216; Mutual Life, $6,474; Brooklyn Life, $10,000; Mutual Benefit Life, $20,080; Union Mutual Life, $20,000; Connecticut Mutual Life, $20,066; Phœnix Mutual Life, $10,000; National Life of the U. S. A., $20,000; New England Mutual Life, $20,000, and Washington Life, $20,000.

Mr. Joseph J. Windle, of Minneapolis, State agent of the Liverpool and London and Globe for Minnesota and North Dakota, has resigned, and on January 1 of the new year will retire from the business. The field will be covered by H. R. Loudon, State agent in Missouri, who is transferred to the Northwest.

Isaac L. Doughty, who for thirty-four years was cashier of the Home Insurance company of New York, died in Brooklyn on last Saturday. He was born in New York in 1840, and worked his way up from the bottom in the Home company's offices.

Mr. Walter H. Cobban, of Minnesota, abandons the fire insurance business, in which he has been a prominent special agent, to become manager of the Phœnix Mutual Life at Minneapolis for Minnesota, North Dakota and South Dakota.

Mr. John Gaylord McCall, Michigan State manager for the Bankers Life of Des Moines, dropped dead in the streets of Detroit on Sunday last, a victim of heart disease. He was a native of Mumford, N. Y., fifty-seven years old.

Mr. Cornelius Du Bois, of the firm of Frank & Du Bois, of New York, sails on the steamship Fuerst Bismarck on January 4, en route for Egypt.

Mr. J. W. Powell, special agent of the Royal in Kentucky, announces himself a candidate for the Democratic nomination for State Auditor of that State. The State Auditor appoints the Insurance Commissioner.

Mrs. Agnes B. Gibson and Miss Blanche F. Ashley have joined in business and opened a general insurance agency office in Philadelphia, and constitute the only solely female insurance firm in that town.

Mr. Willis O. Robb has been appointed secretary of the committee on losses and adjustments of the New York Board of Fire Underwriters, at a salary of $7,500 per annum.

President Rough, of the Berrien County Mutual Fire insurance company of St. Joseph, Mich., has just been voted an annual salary of $50, which is claimed to be the record.

Mr. E. G. Snow, Jr., is urged by fire underwriters for the fire commissionership of New York, the appointment for which will be made by Mayor Low.

Dr. William W. Harriss, president of the Wilmington, N. C., Board of Fire Underwriters, died there December 13, aged seventy-nine years.

Mr. William H. Ellis, insurance agent at Waukegan, Ill., died there November 12, after a long illness, aged seventy-nine years.

Mr. C. A. Muerman, of Cleveland, Ohio, has resigned the agency there of the Commercial Union.

Mr. A. F. Bailey has resigned the post of sub-fire manager of the Union of London (home office).

Mr. Isaac McNair, insurance agent at Minneapolis, died suddenly at Great Falls, Mon., on Sunday.

Insurance Legislation.

Complete copies of all important bills in the legislatures affecting insurance are on file in the office of THE WEEKLY UNDERWRITER.

Georgia.

ATLANTA, Ga., December 14.—The Georgia Legislature adjourned sine die yesterday. The insurance bills introduced during the session which became laws were the following:

House Bill No. 466, by Mr. Underwood, requiring assessment life and accident insurance companies to make deposits.

House Bill No. 494, by Mr. Little, exempting industrial life insurance companies from the payment of the occupation tax.

House Bill No. 752, by Mr. Slaton, requiring foreign legal reserve life insurance companies to deposit $100,000 with the State Treasurer.

Senate Bill No. 208, by Mr. Allen, applying the resident agents' law to accident, liability and casualty insurance companies.

Among the defeated legislation of the session was the Blue valued policy bill, which was tabled in the House, never to be called up again; the bill to increase deposits from fire insurance companies to $25,000; the tax increase bill; the bill to tax life insurance policies, and the amendments to the resident agents' law.

Miscellany.

Report on the Examination of the Frankfort Marine Accident and Plate Glass Insurance Company by the Massachusetts and Minnesota Departments.

The following is an abstract of the report of the examination made by the Massachusetts and Minnesota insurance departments of the Frankfort Marine, Accident and Plate Glass insurance company:

The business of the company in this country is carried on by two departments, one with headquarters in New York, to which all the Eastern agents are tributary, and one in San Francisco, which receives the Western reports. The business of the latter is made known to the New York office, which is the headquarters of the company in this country, by means of letters of advice, called bordereaux, frequently transmitted. Of course, no test could be made in the New York office of the accuracy of these Western figures, and in the financial statement which follows they have been combined substantially as given at the

New York office with the figures which show the financial status of the Eastern department.

The combined result appears in the following schedule of assets and liabilities as of September 30, 1901:

ASSETS.	
Stocks and bonds, par value $600,000, book value	$634,391.67
Cash in hands of trustees	488.75
Cash in hands of managers	12,546.33
Total ledger assets	$647,426.75
NON-LEDGER ASSETS.	
Interest due on bonds	$2,250.00
Market value of bonds (income, accrued interest, $5,746.66)	10,804.58
Gross premiums in course of collection (except marine)	253,840.63
Net premiums in course of collection, marine	8,052.32
Total non-ledger assets	$274,947.53
Total assets	922,374.28
ASSETS NOT ADMITTED.	
Premiums more than three months due	$11,532.00
Additional Boston and Montana premiums	23,617.37
Cash not in control of trustees	12,546.33
Total assets not admitted	$47,695.70
Admitted assets	$874,678.58
LIABILITIES.	
Claims adjusted or in process of adjustment	$71,323.00
Claims disputed or resisted	162,040.00
Claims, marine	4,832.00
Unearned premiums	430,068.18
Commissions and brokerage	93,286.43
Accrued taxes, estimated on basis of 1900	5,000.00
Miscellaneous	1,102.58
Total	$767,652.19
Deduct reserve and commissions on premiums in course of collection (not allowed, 86¾ per cent.)	30,492.08
Total	$737,160.11
Deposit capital	200,000.00
Total liabilities	$937,160.11
Impairment of capital	62,481.53
INCOME.	
Total premiums received	$698,935.41
Interest and dividends received from all sources	21,972.50
Total income	$720,907.91
Balance on hand December 31, 1900	631,627.12
Total income and balance September 30, 1901	$1,352,535.03
DISBURSEMENTS.	
Employers' liability claims	$288,473.38
Personal accident claims	78,334.00
Plate glass claims	25,387.39
Sickness claims	1,230.28
Total claims paid	$393,425.05
Other disbursements, including $196,583 for commissions and brokerage, $65,683 for salaries, travel and agents' expenses, $4,500 for dividends, $7,627 for inspections, &c., total	311,683.23
Total disbursements	$705,108.28
Balance on hand September 30, 1901	647,420.75

Mr. Voss states that the marine business of the company has been entirely confined to the Pacific Coast, that it has been carried on direct with the home office, and that for that reason it had not occurred to him that it was necessary to report it in his annual statements. Hereafter it will be so reported unless wholly discontinued.

Since the completion of the examination $200,000 has been deposited with the United States trustees by the home office in addition to the amount held by them on September 30, thus making good the impairment and creating a surplus.

German Policy Toward American and British Life Insurance Companies.

(*The Review, London, December 4.*)

The learned gentlemen with the weird titles who are acting for the German Government in insurance matters at the present moment have, it must be confessed, shown some signs of wisdom in their recent operations. It has obtruded itself upon their notice that if the Government of the German Empire takes over by force the assets and liabilities of any of the companies which retire from Germany on January 1 next, it may be placing itself deliberately in the position of one who has stirred up a nest of hornets. It cannot be overlooked that if there are future premiums to collect, there will also be future losses to settle. Further, that the expelled companies may not be so hopelessly "out of it" financially, by this aforesaid retirement, as the German Government may think.

The opinion held by the learned professors with regard to the ultimate recourse to be had against British and American companies, by the registration of judgments in Germany, these judgments to be then transferable and re-registered in England, can very easily be met by counter legislation. There is no legislative assembly in the world which would permit the citizens of the country it represents to be subjected to such pains and penalties as those contemplated by the German Government. Here we see a deliberate and resolute effort being made to compel those foreign companies which have expended time and money in building up business to place themselves abjectly under the heel of any police officer to whom the Minister of the Interior or the Imperial Chancellor may choose to give an order.

Legislation of the pattern introduced by the German Government is such a distinct negation of international courtesy and international commercial rights, that it might be very fairly met, and at once, by the passing of a law by the American Congress and the British House of Commons, rendering such re-registration of judgments, in Britain or in the United States, ineffective as against companies which have been expelled from Germany for no fault of their own, but for having had, very naturally, the wish to resist high handed oppression. These laws can be considered as nothing but intentionally oppressive.

May we suggest that the German Government should cause the methods of the British Government to be investigated in connection with the insurance business? They would see how smoothly and quietly the great machine works here; how the annual publication of reports, with intelligent press comment, and in case of need with observations from our Board of Trade, has permitted these large financial institutions to grow and flourish apace in this country, and, wonderful to relate, without any taxation whatever being imposed upon them, except those ordinary taxes imposed upon ordinary citizens, such as income tax, a small revenue stamp on each life policy, descending to even a penny stamp on all fire policies. This has been done in the interests of public welfare.

Of all the financial institutions which civilization has brought into being and has seen fructify until its blessings are incalculable, there is nothing to compare with the business of insurance, more especially life insurance. The British Government has therefore in its wisdom (a wisdom which other nations might advantageously notice and copy) decided to let the insurance offices alone. The common law of this country is quite sufficient to prevent dishonesty, and the wise supervision of our Board of Trade does the rest. It is quite impossible for any self-respecting bodies to remain under the so-called protection of laws which do not protect, and under which insurance companies do not appear to have any rights whatever, but seem to exist at the pleasure of one man alone. This is inconsistent with modern ideas of progress, and if, by January 1 next, the German Government does not see things in a clearer light than is the case at present, then its subjects will have to pay for a lesson in international economics.

The Financial Side of Life Insurance.

(*Vice-President Kingsley, of the New York Life Insurance Company, in The Independent.*)

January 1, 1902, will undoubtedly show that American life insurance companies have a total amount of insurance at risk on their books approximating $7,500,000,000.*

We are accustomed to think of life insurance companies, and especially of the three great American companies, as financial institutions, but the thought will not occur to most people that these companies are under contract ultimately to provide a dollar in cash for every dollar represented in that enormous ultimate liability; such, however, is the fact.

The history of a successful life insurance company may be generally divided into two periods, which somewhat overlap each other:

First—The Agency Period, which in a company that is alive never passes away.

Second—The Financial Period.

In the early history of a company the agency department is substantially the entire company; it represents the days when the organization is planned and developed and perfected, when a great machine is constructed. The financial period represents the time when the contracts made through the labors of the agency department begin to bring in their results; and the greater the success of the first the more enormous the responsibility of the second period.

* Excluding industrial, assessment and fraternal insurance.

It is inevitable that the financial conduct of a company, which in the beginning is a minor matter, should with the lapse of time become a matter of first importance; and the reasons that compel a company to give its best efforts to organization in the field in its earlier history will compel it later to look to its organization in financial matters.

There are two great reasons why American life insurance companies will become financial concerns of the first rank:

First—Because the amount of outstanding insurance per capita has been and is rapidly increasing.

Second—Because there is a law governing the development of level premium life insurance which says that assets and insurance at risk must some time or other approach relatively near each other.

Statistics of population and insurance outstanding show that in 1860 all American life companies together had on an average about $5 at risk for each person in the United States; in 1901 the amount per capita at risk had increased to somewhere near $85; in forty-one years the average has been multiplied by seventeen. This is one of the great factors that explains the financial future of our life companies.

The second factor is the rapidity with which assets overtake insurance in force in an active company. We can illustrate this in a most striking way by citing the experience of the three great American companies.

On January 1, 1886, the New York Life, the Mutual Life and the Equitable Life together had about $986,000,000 of insurance at risk. On January 1, 1902—sixteen years later—the same companies will have in cash assets not far from that same total. In other words, cash assets will approximate in 1902 what insurance in force aggregated in 1886. Does it follow that sixteen years hence these three companies will have in cash assets a sum equal to their present outstanding insurance—probably $3,500,000,000? Does it also follow that to this will be added an increment resulting from a further relative increase in the amount of insurance per capita?

We do not need to speculate over what may happen. We have only to deal with what is certain to happen, and we are forced to the conclusion that our life insurance companies during the next decade will play a part quite different from any they have hitherto undertaken.

If no new insurance were written, if palsy should suddenly seize the tremendous activities of these companies, the contracts that are now outstanding and well established in the very nature of the case would bring in such sums of money for investment that the companies would be compelled to become an active factor in the investment world.

Moreover, these investments will represent a new growth. They will be new creations. They will not be the result of an amalgamation of smaller corporations, but will be the product of the obligations clearly written in hundreds of thousands of outstanding contracts, whose terms carry them far into the future, and, to some extent, fix and forecast what that future of the world shall be.

That the life companies will be obliged to enter into the financial world in a somewhat new relation should be a happy factor in any financial forecast. They will be the most conservative investors possible. They will buy only the best securities. They will have a right in buying to expect and demand the best price. They will always be in favor of financial transactions that are constructive, never in favor of anything that is destructive. They will always be in favor of peace, never in favor of war. They will be exemplars of the highest type of commercial honor; repudiation in any form will find in them an uncompromising foe. They will never hoist the black flag in Wall Street or anywhere else. Their influence in the world of money will be as widespread and as benign as it has been and is in the homes of the people.

Increase of Insanity—Incipient Lunatics All Around Us.

(*The Insurance Spectator, London.*)

In pursuing an inquiry into the alarming increase of insanity in London, as set forth by Mr. N. W. Hubbard, a member, and an active one, of the London County Council, we note that while poverty and the keen struggle for existence are assigned as great causes, it is asserted that there is in 70 per cent. of the cases hereditary influence as a determining principle.

Mr. Hubbard, in dealing with this subject, cited first of all the very detailed and full report of Dr. Tredgold, the expert on the pathology of idiocy and imbecility. This great authority had, explained Mr. Hubbard. had access to 1,400 cases of that form of mental disorder, and had obtained complete family histories in 150, besides full clinical notes of the patients. "Insanity," reported the doctor, "was present in the ancestors in 70 per cent. of these patients; in 28 per cent. it was accompanied by consumption and in 39 per cent. by alcoholism. In 15 per cent. both these factors were present in addition to the insanity." Then Mr. Hubbard appealed to the report of Dr. T. E. R. Stansfield, the medical superintendent of the Bexley Heath Asylum, who expressed the view that the "leading factor in the causation of insanity is alcohol, which was considered to be a predisposing or exciting cause in 25.8 per cent." Dr. Robert Jones, superintendent of the Claybury Asylum, gave epilepsy as the cause of insanity among 6 per cent. of the inmates; general paralysis 8 per cent.; while alcohol had been definitely ascertained as the cause in 13 per cent.; "but," added the doctor, "probably the true proportion is much higher." Thirteen per cent. was lower than usual, remarked Mr. Hubbard, and the circumstance was so striking that Dr. Jones added the note that "the conclusion is forced upon us that in the particular area whence we derive our patients there is at present an increased sobriety as compared with the immediate past." Dr. Jones gave 10 per cent. as the proportion of cases due to domestic worry, adverse circumstances and mental anxiety. Dr. Seward, the superintendent of the Colney Hatch Asylum, spoke of hereditary influence as existing in 28 per cent. of his cases, and intemperance in 15 per cent. Dr. R. R. Alexander, the superintendent of Hanwell Asylum, fixed his alcoholic cases at 19 per cent.—an increase of 5 per cent. in two years.

These statistics are, no doubt, very interesting and valuable, but they are not, to our thinking, exactly conclusive. More to the purpose is the tabulated statement that Mr. Hubbard gave—as below:

Intemperance in drink	584
Domestic troubles	198
Adverse circumstances (including business anxieties)	191
Mental anxiety, worry and overwork	166
Love affairs	55
Religious excitement	34

What we would like to know is what are the real statistics as to insanity generally, as every now and then clearly exemplified by the suicides and the suicides plus murder that are daily recorded in the newspapers? More than this, there are the increasing crimes of a purely mercantile character which in so many instances, when set forth in the criminal courts, evince nothing less than downright insanity on the part of those who have perpetrated them. The really alarming factor in the inquiry into national insanity is that which so far escapes direct statistical investigation. There is the new peril, and the new very serious "risk" to which every insurance man must now look, and the medical examination to be effective as a proper guide to the value of the life ought decidedly to be much more mental than it usually is. The grave part of the outlook is the rapidly increasing number of incipient lunatics who are walking about in our midst and transacting business like the rest until the fatal moment arrives when they break bounds, and in doing this, as in several terrible cases that have been reported since our last, they involve others in their own destruction. Unfortunately the general drift of contemporary life tends for the vast majority to foster the very conditions out of which insanity is pretty sure to arise for all but the exceptionally strong in brain as well as in body.

Almost all the ordinary pursuits of life are now carried on under feverish and ever-exciting conditions, and under a pressure which was practically unknown to the ancient world. This evil state of things continues, and unhappily it is daily intensifying.

Beaumont, the Texas Oil Metropolis, in Danger.

(*Beaumont Correspondence of the Galveston News.*)

BEAUMONT, Tex., December 10.—The *News* correspondent here has frequently of late called attention to the work of the safety committeee under Mr. G. A. Hill, which has charge of Spindle Top Hill, or the oil field, for the protection of the property and wells from fire and other dangers. The interests on Spindle Top are not local. Capital from every part of the State of Texas and from all parts of the United States is interested in the field; and neither is the danger from fire limited to the destruction of the oil field and property there. The city of Beaumont is interested; and, furthermore, men of sound judgment and experts declare that if one of these gushers gets afire there is practically no power that can put it out. At any rate, this correspondent has urged by every means the continuance of the protection there, both for the protection of the individual property out there and that the greatest industry the State has

ever known may not in one moment be put out of existence. A week ago Inspector Hill exhausted his funds and gave notice by publication that unless provision was made for making the finances a permanent thing he would withdraw his men and turn the field over to the mercy of the fire.

It has come to the notice of the fire insurance companies that it was intended to withdraw the protection from fire which had heretofore been maintained at Spindle Top. As a result, Mr. J. B. Hereford, special agent for Texas of the Liverpool and London and Globe insurance company, arrived in Beaumont this morning for the purpose of making an investigation into the danger to the city from the fire in the event the Spindle Top field got ablaze. Mr. Hereford spent the morning consulting with owners of Spindle Top property, and, chaperoned by Chairman Hill, this afternoon visited the field.

When met by a *News* correspondent, Mr. Hereford expressed himself as appalled at the risk the city would incur if the Spindle Top gushers caught fire. "Our company has received reports on conditions here," said Mr. Hereford, "and regarded them as somewhat hazardous, but we did not get uneasy until the report came that the protection committee threatened to abandon its work for the want of funds. I was dispatched here to make a report as to what the company had best do in the event protection was withdrawn from the Hill. I have not yet formulated my report, but I do not hesitate to express the opinion that in such eventuality fire insurance companies would cancel all their policies in Beaumont. It may be said that the companies are unduly alarmed; that in the event of fire on Spindle Top Beaumont would not be in danger, and the alarm is needless. This sounds very well, but it won't satisfy the companies which are carrying Beaumont risks. If those gushers on Spindle Top should once get ablaze no power on earth could stop the fire, and, while the flames may not reach Beaumont direct, there would be gases in the atmosphere which would ignite on the slightest provocation and burn the city. I am simply stating plain facts as they appear to an insurance man, and believe the people of Beaumont will find it economy to give Spindle Top Hill every possible protection."

It is believed that a plan has been adopted for providing a permanent and lasting fund for this purpose; at least, Mr. Hill states that he is entirely satisfied with the matter now.

The Deadly Arterio-Sclerosis—The Applicant Who Has It Is a Bad Risk.

At a meeting of the Insurance Institute at Toronto on the evening of December 10 life insurance physicians present discussed arterio-sclerosis and agreed that it is a more fatal disease than consumption. Candidates for life insurance should be examined more carefully with this possible physical trouble in view. A report of the discussion in the local papers is as follows:

One of the most interesting features of the interesting hour was a paper, prepared jointly by Dr. F. LeM. Grasett and Dr. H. Crawford Scadding, medical directors of the Canada Life assurance company, on "An Endeavor to Estimate the Value of Certain Doubtful Lives in Life Insurance."

As an outcome of the meeting, and in the discussion that followed, it was shown with startling clearness that consumption or tuberculosis is not to-day the greatest scourge of the human race, but, as some interested in life insurance have put it, arterio-sclerosis is, being more deadly in its ravages than the dreaded white plague.

To the uninitiated the hyphenated words arterio-sclerosis appear formidable, but they really mean a degeneration of the blood vessels, and in the papers, which were couched in simple terms, the medical gentlemen pointed out the ravages that follow in the wake of this degeneration.

Dr. Grasett quoted a French physician, who said: "A man is as old as his arteries." He pointed out the comparative carelessness that had existed in looking for vascular troubles in the applicant for insurance or in his history, and stated that if care was taken in these examinations and the causes of death searched out carefully it would be found in many companies perhaps that, where tuberculosis now heads the list, it would have to take second place to arterio-sclerosis.

The heart, kidneys and brain depend on good blood vessels, and if the vessels are diseased it was, of course, impossible for these organs to fill their proper functions, and the man was not a good risk.

Dr. Grasett illustrated his address with a blackboard and diagram, and explained the elasticity necessary in the veins of a healthy man. It is now known with certainty that great changes in the elasticity of the blood vessels are found in men of sixty years, but this lack of life and elasticity is even noticed in men of thirty, which, as Dr. Osler, of the Johns Hopkins Hospital, says, "is a tendency which cannot be explained in any other way than that in the make-up of the machine bad material was used in the tubing." It was explained that if the vessels were weak near the heart they yield perhaps and a tumor is the result, a rupture, and then sudden death. If the vessels that carry the blood to the brain are weak, the result is headache, giddiness or one-sided palsy. Sometimes the blood vessels supplying the heart are affected, and the very heart itself suffers starvation. The kidneys are often affected by the want of a proper blood supply through degenerated vessels, and there is a reaction upon the heart, which has extra work forced upon it in trying to pump blood into the kidneys. Then the heart is enlarged, and the result, of course, is undesirable applicants for insurance. Gangrene of the leg and other specific cases might be mentioned, so Dr. Grasett says, as proceeding from the degeneration of blood vessel walls.

The difficulty of detecting cases of arterio-sclerosis in the early stage of the disease was commented on.

In summing up Dr. Grasett suggested: First, if a man has strong evidence of arterio-sclerosis in his family history and in his person, he was not insurable on any terms; second, if a man has no evidence of arterio-sclerosis in his family history, but has the disease in the brain, kidneys or heart, and may not involve danger, he is an undesirable risk, and should be left alone or taken on a short endowment; third, if arterio-sclerosis is marked in the family history of the applicant, but not in the presence of the applicant, an endowment terminating before or about the period in which the proclivity is shown may be taken; fourth, if the family tendency seems weak or moderate in the direction of this degeneration of the blood vessels, but the person examined shows no trace of arterio-sclerosis, a life policy paid off in ten, fifteen or twenty years might be taken, although with care.

Dr. Grasett then introduced a number of incidents showing how cases had been traced back, applications made and how dealt with. For instance: A asked at the age of forty-two for a twenty-pay life policy, and it was shown that his father had died of aneurism at fifty-six, his mother of paralysis at forty-eight. So he was given an endowment policy at twenty years, being in good condition himself.

Dr. Scadding, who followed, indorsed Dr. Grasett's remarks, and dealt briefly with two classes of cases: First, consumption, the risk of it in early life; and, second, arterio-sclerosis, and its tendency to come on in later years. He stated that the custom had been in the past to reject a person absolutely who had a consumptive history, but now penalties were introduced in the policies which made insurance possible, and which were accepted by reasonable men, who were aware of the danger which the company mutually agreed to share.

Dr. Scadding spoke of the tendency to apoplexy in heavyweights, and said that it was also occurrent in thin persons. He made the statement that the examinations for insurance made by the patients' physicians were very slipshod as compared with the way these same physicians examined their patients for disease or in diagnosing a case.

Mr. Frank Sanderson, actuary for the Canada Life assurance company, who opened the discussion, said that the recent actual experience of the Canada Life assurance company on cases where the family history showed deaths from arterio-sclerosis was materially heavier than in the general experience the company published a few years ago. Taking the mortality experience of the Mutual Life company of New York, recently published, it was found that the total deaths from tuberculosis were 5,585, whereas, if all the deaths that might be regarded under the head of arterio-sclerosis were grouped together, the Mutual Life would have more than double as many deaths from that as from consumption. Taking the apoplectic zone, from the ages fifty-five to seventy years, the Mutual Life company had over 7,000 deaths that might be traced directly to this arterio-sclerosis. In concluding, Mr. Sanderson stated that in the Canada Life company, where seventy-one deaths had been anticipated by the company's own experience in the apoplectic zone, eighty-seven had occurred. He stated that arterio-sclerosis was a greater foe to life insurance than consumption.

On Scientific Rating and the Reduction of the Fire Loss.

(*The Insurance Register, Philadelphia.*)

THE WEEKLY UNDERWRITER, referring editorially to an article reprinted in its columns from the London *Insurance Record*, says:

Our contemporary asserts that the continuation of unfavorable conditions for five years is taking the heart out of underwriters, and it is certain that "something must be done, and the remedy must be drastic." It goes on to discuss causes and remedies, holding that neither the haphazard advancing of rates nor the wholesale reduction of expenses will create profits; but there must be judicious moderation behind both movements. Rates may be high enough when a removable hazard is eliminated and "reduced expenditure often spells ruin." The conclusion of our contemporary is that the cure will be found in making every class of risks pay for its own losses and expenses, and that "a scientific method of rate-making would be practicable if fire underwriters were of one mind and alive to the urgency of the occasion." There is nothing original in either suggestion. Rating organizations are ever at work classifying hazards and applying a specific rate to each, and, theoretically at least, fire managers are of one mind as to the urgency of scientific rating. What is most needed is the reduction of the fire loss. Who can demonstrate how that may be accomplished?

While it is true that undue restriction in the matter of expense may, and even must, lead to ruin, or such insignificance in the extent of business as to be practically the same, it likewise remains a fact that within the past two decades there has been what seems to us an unnecessary increase in the expense of agency maintenance. Inadequately adjusted rating and the competition of non-Union companies were responsible for an unnecessary increase in commissions on those classes which experience showed had been rated too high. In order to get this business, and at the same time not invite the throwing open of rates by the Union companies, non-Union competition secured the greater part of it by increased commissions, which in the end had to be met by the Union companies, so that rates on these preferred classes are now higher than they ought to be, because these classes were rated too high. High rates on a large part of the business has its effect on the other classes and tends to larger and larger demands from the field.

Another source of undue expense, we believe, is to be found in the rating boards and associations, the cost of which, it appears to us, is too great for the services they render. Company executives may well give time and labor to the work of making these more effective and less costly.

Scientific rate making, if applied and universally observed by companies would, of course, cure the evils under which the business suffers, from the standpoint of the stockholder, because it would fit the rate to the class hazard plus the expense loading, whatever that might be; that is, it would accomplish this so long as the public submitted and carried the insurance furnished by the companies. But if extravagant expenses, with rating rightly adjusted to the risk, made the cost unduly high, the public would justly complain and would eventually find some mode of relief. Besides learning how scientifically to adjust rates—and that task is one of extreme difficulty—there remains to underwriters the task of duly limiting expenses, and the further matter, which our New York contemporary considers the principal difficulty to be overcome, "the reduction of the fire loss."

Two thoughts naturally present themselves when this question of diminishing fire waste is under consideration. The first is that rates should adequately recognize the diminution of hazard from proper construction and the maintenance of conditions causing the least possible danger of fire to the premises or property assured, and should fully penalize the opposite conditions. Second, that, in order to make the application of the principle of rating by hazard absolutely effective, inspection must be made as often as the circumstances of the risk make necessary, and constant maintenance of the conditions upon which the rate is fixed must be required. Third, adequate legislation, giving a right of action for damages to every person suffering loss or damage from fire against the person by whose negligence, or the negligence of others for which he is responsible, such fire was caused, would, we believe, have some effect in diminishing the present enormous fire waste, which during this year will probably reach $165,000,000.

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Cash Capital	$1,000,000.00
Reserve for Unearned Premiums	1,563,778.00
Reserve for Losses under adjustment	81,571.61
Reserve for all other Claims	42,475.49
Net Surplus	2,275,975.38
Total Assets	$4,963,800.48

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TO BE FAITHFUL

...To Policy-holders and Agents

is the motto of the management of the Union Mutual. To serve all interests impartially. To treat all parties with consistent candor. To issue policies of pronounced liberality. To make all death payments with the utmost promptness. To be fair in all dealings.

Honest, capable Agents can always have employment with us.

Union Mutual Life Insurance Co.

Portland, Maine.

INCORPORATED 1848.

FRED E. RICHARDS, President. **ARTHUR L. BATES, Vice-President.**

Address either { EDSON D. SCOFIELD, *Supt.*, 1110 Am. Tract Society Bldg. 150 Nassau St., New York City. THORNTON CHASE, *Supt.*, 84 Adams Street, Chicago, Ill.

INCORPORATED 1851.

The Berkshire Life Insurance Co.

OF PITTSFIELD, Mass.

All Policies issued by the Company are subject to the Massachusetts Non-Forfeiture Law.

WM. R. PLUNKETT, President.

JAS. M. BARKER, Vice-Pres. JAS. W. HULL, Sec'y and Treas.

Agencies in all the principal cities of the United States.

Royal INSURANCE COMPANY (FIRE) OF LIVERPOOL, ENGLAND.

Statement of United States Branch,

JANUARY 1, 1901.

Assets, held in the U. S. for the special protection of its American Policy-holders.	$7,187,715.01
Liabilities,	4,703,671.36
Net Surplus,	$2,484,043.65

AGENCIES IN ALL THE PRINCIPAL CITIES, TOWNS AND VILLAGES IN THE UNITED STATES.

The Agricultural Insurance Company of Watertown, N. Y.

ESTABLISHED 1853.

Assets, January 1, 1901 ..... $2,283,558.42
Total Liabilities, except Capital $1,240,017.87
Joint Stock Capital 500,000.00

1825. THE 1901.

Pennsylvania Fire Insurance Co.

OF PHILADELPHIA.

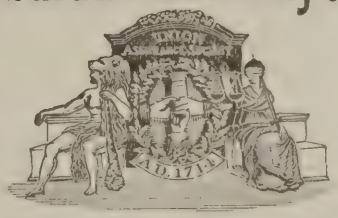
Cash Capital,	$400,000.00
Re-insurance and all Liabilities,	2,771,038.56
Surplus,	2,163,883.97
Total January 1, 1901,	$5,334,922.53

R. DALE BENSON, Prest. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Prest. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

Instituted in Reign of Queen Anne, A. D. 1714.

Union Assurance Society of London

No Overhead Writing
No Dual Agencies.



Loyalty to Local Agents.

United States Offices: Society's Building,
35 Pine Street, New York, ... Hall & Henshaw, Managers
171 La Salle Street, Chicago, ... Hall & Henshaw, Managers
35 Kilby Street, Boston, . . Hall, Henshaw & Gilmour, Managers
English-American Building, Atlanta, Ga., . George N. Hurt, Manager
Mining Exchange Building, Denver, Col., Gerald L. Schuyler, Manager
AGENTS IN ALL THE PRINCIPAL TOWNS AND CITIES.

The Mutual Benefit Life Insurance Co.

NEWARK, N. J.

AMZI DODD, - - PRESIDENT.

ASSETS (Market Values) Jan. 1, 1901 ..... $74,311,468.25
LIABILITIES, N. J. and N. Y. Standard 68,186,103.34
SURPLUS 6,125,364.91

MUTUAL BENEFIT POLICIES
—CONTAIN—
Special and Peculiar Advantages
WHICH ARE NOT COMBINED IN THE
POLICIES OF ANY OTHER COMPANY.

The Lancashire Insurance Company

OF MANCHESTER, ENG.

MILTON DARGAN, Manager,
25 Pine Street, NEW YORK.

INCORPORATED 1865

GERMAN INSURANCE CO.

OF FREEPORT, ILL.

The Largest and Most Successful Fire Insurance Company in the West.

Assets, January 1, 1901,	$3,656,401.59
Cash Capital,	200,000.00
Liabilities, including reinsurance,	2,181,179.89
NET SURPLUS,	1,275,221.70

C. O. COLLMAN, Pres. HENRY BAIER, Vice-Pres. D. B. SCHULTE, Treas.
WM. TREMBOR, Sec. F. M. GUND, Ass't Sec.

The Massachusetts Mutual Life Insurance Company,

INCORPORATED 1851.

SPRINGFIELD, MASS.

ASSETS - January 1, 1901	$26,245,622.04
LIABILITIES	23,920,986.53
SURPLUS	2,324,635.51

Definite Paid-up and Cash Surrender Values written in every Policy.

JOHN A. HALL, President. HENRY M. PHILLIPS, Secretary.

New York Office: Empire Building, 71 Broadway.
GEORGE J. WIGHT, Manager.

ORDINARY
and
INDUSTRIAL
PROFIT SHARING
POLICIES.

EXCEPTIONAL
ADVANTAGES
TO

..... Active Agents.

WRITE TO

THE PRUDENTIAL INSURANCE CO. OF AMERICA

JOHN F. DRYDEN, President. Home Office: NEWARK, N. J.

The Manhattan Life

OF NEW YORK.

STRENGTH,
SECURITY,
SOLIDITY
ARE THE WATCH-WORDS OF THE COMPANY

Assets, $16,367,635.69
Surplus, 1,706,854.98

Live, energetic men are wanted for several pieces of excellent territory. Very interesting propositions will be made to first class men.

ADDRESS:
W. B. LANE. 2D VICE-PRESIDENT.

EVERY MODERN FORM OF POLICY ISSUED.

1846—1901.

THE CONNECTICUT MUTUAL LIFE

Insurance Company.

WHERE THE CONNECTICUT MUTUAL STANDS.

During all the long struggle out of which this situation has developed, and amid the many schemes devised to attract public attention and favor to something else than life insurance, the attitude and position of the Connecticut Mutual have never been doubtful.

It has held to the cardinal facts: Life insurance is for the protection of those dependent on a man's life; their dependence makes it his unavoidable duty. Those dependents we assume to protect by our contract, at his personal cost; our duty to them is to make that protection as large, as secure, and as certainly available to them as possible; our duty to him is to make its cost to him as small as possible.

JACOB L. GREENE, President. **HERBERT H. WHITE, Secretary.**
JOHN M. TAYLOR, Vice-President. **DANIEL H. WELLS, Actuary.**

The Metropolitan Life Insurance Co.

(INCORPORATED BY THE STATE OF NEW YORK.)

"The Leading Industrial Insurance Company of America,"

IS REPRESENTED IN ALL THE PRINCIPAL CITIES OF THE UNITED STATES AND IN CANADA. THE PAYMENT OF OVER 250 DEATH CLAIMS DAILY TELLS OF THE GOOD IT DOES. INSURANCE IN FORCE OF OVER $900,000,000 ATTESTS ITS GREATNESS AND FAVOR WITH THE PUBLIC.

Permanent, Profitable and Progressive Employment.

AGENTS WANTED—Any honest, capable, industrious man, who is willing to begin at the bottom and acquire a complete knowledge of the details of the business by diligent study and practical experience can, by demonstrating his capacity, establish his claim to the highest position in the field. It is within his certain reach. The opportunities for merited advancement are unlimited. All needed explanations will be furnished upon application to the company's superintendents in any of the principal cities, or to the Home Office, No. 1 Madison Avenue, New York City.

JOHN R. HEGEMAN, President.

HALEY FISKE, Vice-President. GEORGE H. GASTON, Second Vice-President. GEORGE B. WOODWARD, Secretary. J. J. THOMPSON, Cashier and Assistant Secretary. JAMES M. CRAIG, Actuary. JAMES S. ROBERTS, Assistant Secretary. STEWART L. WOODFORD, Counsel. THOS. H. WILLARD, Medical Director. A. S. KNIGHT, Assistant Medical Director.

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.

FOUNDED 1792.

Assets, January 1, 1901		$9,583,791
LIABILITIES—Reserved for Reinsurance and all other claims	$4,805,254	
Capital Stock	3,000,000	
Surplus over all Liabilities	1,778,537	$9,583,791

Agents in all the principal towns and cities.

CHARLES PLATT, President. EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. BENJAMIN RUSH, Second Vice-President.
T. HOUARD WRIGHT, Marine Secretary. JOHN B. ATWOOD, Assistant Secretary.

Offices in New York: Fire, William and Pine Sts.; Marine, 63 Wall St.

THE

Canada Life Assurance Company

OF TORONTO.

Organized 1847.

Hon. Geo. A. Cox, - - President.

This old established Company has recently entered the State of New York with new and attractive forms of POLICIES and BONDS, all payable in GOLD.

Liberal BROKERAGE and renewal commissions paid.

ADDRESS

J. A. BUCKNELL,

Manager Eastern New York. 47 Cedar St., New York.

Provident Life and Trust Co.

OF PHILADELPHIA.

The best in Life Insurance is likely to be the cheapest. The same fidelity, skill and care which are necessary to guarantee the future security of a company result in the lowest cost. A good test, therefore, is to determine whether the organization and the surroundings of a company exclude all doubt as to future security. In determining this the question of cost is determined also. **THE PROVIDENT LIFE AND TRUST COMPANY** invites inquiry as to its organization and the provisions for safety afforded. For the full period of its existence the death rate has been only .614 of the rate indicated by the authoritative tables.

The Weekly Underwriter:

AN INSURANCE NEWSPAPER.

VOL. LXV. SATURDAY, DECEMBER 28, 1901. No. 26.

Published every Saturday by the Underwriter Printing and Publishing Company.

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All communications should be addressed to THE WEEKLY UNDERWRITER, 58 William Street, New York.

Checks and money orders should be made payable to the order of THE WEEKLY UNDERWRITER.

OUR esteemed friend the Insurance Commissioner of Minnesota thinks that we have done him an injustice in our comments upon his attempt to enforce the anti-trust law of that State against the fire insurance companies. The law, as we showed by citing its provisions, makes no reference to insurance companies, and was not supposed, at the time it was before the Legislature last winter, to include them—or it would have been opposed by the underwriters. Mr. Dearth says that the attorney-general of the State has rendered an opinion that the law covers the business of insurance, and therefore he is obliged to enforce it; but as it limits its terms to agreements or combinations "hereafter entered into," it does not disturb combinations, unions and agreements already existing. Nevertheless they cannot require an agent of a member to observe their rules as to rates. We confess that we are unable to follow the commissioner's reasoning. If the local board lawfully exists it must possess the power to compel the observance of its decrees, otherwise it is as ineffective, as a combination, as a rope of sand. The Winona agent in this case is apparently protected by the department both in his disobedience to his employer and the retention of his agency. This involves an absurdity. The practical effect, we presume, will be that the company will withdraw its order and change its agent. The whole transaction is ridiculous and it seems to us that the commissioner, of whose good faith we have no question, has strained the situation from overzeal. We hope that the board companies will make up a test case and take the attorney-general and his opinion into court. The commissioner has favored us with a copy of his letter to the general agents of the offending insurance companies and it appears in another column in this issue.

IN an article which is pleasantly complimentary to American enterprise, the *Insurance Record* of London comments upon a report which it claims to have seen in the insurance papers of this country, that a syndicate is being formed here to go to England, buy up the British fire insurance offices and run the insurance business there on the American plan. Our contemporary deprecates the attempt to develop any project of this kind, for the reason, it says, that if there is anything in which the English excel it is fire underwriting as a business, and that certainly we have so far given no proof that we can teach our cousins in that respect. Indeed, to quote our contemporary, the proportion of success is ten to one in favor of British underwriters. It might be observed, in passing, that if such ability exists, it is a misfortune that it is not made effective in behalf of British offices in America, for it is the chronic complaint of our transatlantic contemporaries that their companies are unable to make money here. But we are sure the *Insurance Record* is mistaken in thinking that it discovered the proposed Americanization of the fire insurance business in Britain in the newspapers of this country. We remember seeing in a press cable despatch mention of the supposed existence of such a plot in London and that is really all the authority there is for it. No disposition exists on the part of American insurance capitalists to reduce the United Kingdom to a department, with New York as the home office. It is true that the ingenious Mr. Stead, of London, has just written a pamphlet on the "Americanization of the World," but nevertheless we are not going to underwrite it, although we may send out a few of our best companies to share in the labor. Our contemporary, whose article we reprint, is doubtful of the success of American efforts to attain scientific fire rating by the Universal Mercantile Schedule. Its allusions to the schedule impress us with the belief that it does not know much about it. The schedule is not perfect, of course, and never can be, but it is a distinct and important advance on all previous essays to get at the adequate rate, and is the sound basis for further improvements in that direction.

WE notice another flagrant instance of that scrimping of the truth which unfortunately characterizes so many of the published statements of Mr. Putnam about matters in which he takes a partisan interest. As a purveyor of insurance news he has sent to a Philadelphia newspaper subscriber an account of the recent hearing by Judge Barker in the Massachusetts Supreme Judicial Court upon the application of the Provident Savings Life Assurance Society for a mandamus to compel the insurance department to value its policies according to their terms, in which narration the following statement appears:

> After hearing the arguments, Judge Barker stated that if he were called to pass upon the point at the present time he would sustain the demurrer filed by the defendant and dismiss the petition, but, as it was agreeable to both sides, he would not so decide, so that the matter could be brought before the entire Supreme Bench.

We are informed on the best authority that Judge Barker did not commit himself to the expression of an opinion upon the merits of the question at issue, and that he was absolutely impartial in the terms of his announcement that the full bench must pass upon the question. If he had made the statement which Mr. Putnam attributes to him, he would have convicted himself of incapacity, for how could he truthfully assert that a decision against the applicant would be agreeable to that side of the controversy? It is possible to take a charitable view of Mr. Putnam's shortcomings and charge them to recklessness rather than a deliberate in-

tent to deceive. But an unrestrained imagination may get him into trouble, as it already has into discredit. Should Judge Barker be disposed to take the matter up it is good legal opinion in Boston that he could hold the manager of the Associated Insurance Press for contempt of court. The newspapers which have given currency to the misinterpretation of Judge Barker's opinion will, of course, see the wisdom of making the proper apology to the court.

Facts and Opinions.

Our Baltimore contemporary, publishing Commissioner Wilkinson's letter to the president of the Mutual Reserve Fund Life Association, says that the commissioner would be glad to meet the association in the courts and justify his action or stand condemned for what he has done in this matter, and adds: "He would not order an examination, perhaps, because the association has, on examination by other insurance departments, complained of the costs, and thus keeping himself and his department clear of all the imputations which have accompanied other examinations, he has acted with independence, but without undue harshness in the premises." Meanwhile, Bishop Paret, of the Episcopal diocese of Maryland, has written a letter to Commissioner Wilkinson in approval of his action, claiming that his own case is even worse than that of Mr. Buckman. He says that some years ago the association promised not to increase assessments, but that it has continued to do so until its charges have "become enormous," with the result that, at an age when it is impossible for him to secure insurance in any other company, he is crowded out. He appealed to the New York Insurance Department, but "received no satisfaction." The association can hardly permit the Bishop's complaint to go unanswered, if, as it asserts, it is now proceeding in good faith toward its creditors.

A paper by Mr. Henry Moir, actuary of the Provident Savings Life Assurance Society of New York, was read at the December meeting of the Faculty of Actuaries in Scotland. It was entitled "First Year's Risk," and the essayist began by remarking that the rate of mortality in the first year of assurance gauged the initial expense, and also selection, which was largely under the control of the medical examiner. Twenty years ago materials were not at hand upon which satisfactory conclusions might be based, but the data of the recently published new experience tables were now available, and appropriate figures had been extracted therefrom by him, and graduated by the graphic method, with the usual satisfactory tests. The rates so brought out were compared with those previously deduced from other experiences; the first year's risk for various classes of assurance, and on male and female lives, was separately stated; and verbal explanations of the differences were given. It was formerly contended that a maximum rate of mortality appeared between the eleventh and fifteenth years of assurance, but it was clearly shown that that did not obtain in the select tables submitted. A discussion of the subject afterward took place, at the close of which a cordial vote of thanks was passed to Mr. Moir for his paper.

The National Association of Life Underwriters, through its president and secretary, makes the following official announcement to the members of the association:

With heartfelt sorrow we announce the death of Chauncey M. Ransom. To everyone who knew him—and his acquaintance was extensive, especially with insurance men—the mention of that name recalls vividly a charming personality, his patriarchal appearance, his graces of mind and heart and, best of all, his true friendship. "Praising what is lost makes remembrance dear," yet words can but poorly express our tribute of love to his memory. Colonel Ransom was aptly called the "father" of the National Association of Life Underwriters. He earned the title by successfully inaugurating the Boston Association, and through it the National Association, to the accomplishment of which he freely spent money, time, strength and anxious thought. He kept the title by the watchful, loving interest with which he followed its progress and development. Its success was his peculiar joy and pride. Upon him alone, in grateful acknowledgment, the National Association conferred honorary membership. It has been well said that "everyone must revere the memory of this man, whose best work was in instilling the sentiment of brotherly kindness and good fellowship into the ranks of life insurance workers." "We cannot stay mortality's strong hand," but in the face of our great loss we can be thankful for such a man, "whose whole life was devoted to the elevation of insurance and the promulgation of the best insurance thought."

The New Orleans fire underwriters on December 19 held a meeting, at which President Noll, of the Teutonia, acted as chairman and H. S. Eustis as secretary, and adopted a resolution appointing a committee to provide for the permanent organization of an underwriters' association. Mr. Noll was elected president, Louis Monrose vice-president and W. A. Brand secretary. One of the organizers said:

This organization will have absolutely nothing to do with rates, for that would be contrary to the State law. What we want to accomplish is to put ourselves in a position to discuss in open meeting matters of common interest, and in this way guard the best interests of our business. Right now concerted action is needed to minimize the fuel oil hazard, and if the underwriters don't see that fuel oil is handled and used in the least dangerous manner, nobody else will, and, as a result, much valuable property will quickly become endangered. This matter is now being investigated by the New Orleans Board of Trade, and invitations have been sent to the insurance men to send representatives. This we can only do through organized effort, and this is one of the reasons why we have organized. While every other business organization controls to some degree the prices of the business interests they represent, the law prohibits such concert of action among the insurance men, consequently we will avoid all discussion on the subject of fire insurance rates.

There is a growing sentiment in the New England Insurance Exchange of protest against the centralization of power, which has been the tendency for several years past. It is pointed out, for instance, that the rating of all schedule-rated special hazards is now in the hands of three committees, the factory improvement for sprinkled risks, the scheduled risks for unsprinkled establishments and the electrical hazards for electric light and power stations and gashouse risks. It is contended that under the old custom of entrusting such rating in a large degree to local committees, it was put into the hands of men who were familiar with local conditions and necessities, and, therefore, well qualified to do the just and right thing in rate making. While the value of general central committees is conceded, it is also urged that there may be too much of a good thing in any direction. As in the solar system, it is only by a just balance of the centrifugal and centripetal forces that a proper equilibrium can be maintained.

The Pacific Coast business of the Lion Fire, of London, has been reinsured by the Niagara Fire, of New York, which has appointed W. J. Landers, who was the Coast manager for the Lion, the manager for the reinsuring company. The *Journal of Commerce* says:

Sumner Ballard was the intermediary in the negotiation of the reinsurance. When the company decided to retire from the Coast General Manager Booker determined that some arrangement should be made which would protect Mr. Landers' interests, and it was equally desired by the Niagara that it should secure the services of Mr. Landers, so the matter was quickly arranged and he will manage the following States for the Niagara: California, Oregon, Washington, Idaho, Nevada, Arizona, Utah, Alaska, Hawaiian Islands. The Niagara was fortunate in making the connection and thereby acquiring the Lion's business, which has been uniformly profitable.

The *Insurance Register* calls our attention to the fact that when we wrote of Colonel Ransom as being, with the exception of Dr. Fowler, the senior insurance journalist in length of con-

tinuous service, we overlooked the entries of Mr. Dearden and Mr. Eldridge. The point is well taken. Mr. Dearden became an editor of the *Northwestern Review* in 1868 and Mr. Eldridge joined the Cincinnati *Insurance Chronicle* in 1869. Both have continued their connection with insurance papers, although attending to other interests simultaneously, since those respective dates. It may be mentioned also that Mr. Lakey founded the *Spectator* in 1868, but for some years subsequently he was in another line of journalism. Mr. Rollins of the *Argus*, Mr. Griffin of the *Insurance Age*, and Mr. Bergstresser of the *Insurance World* were also early contemporaries of Colonel Ransom, who began his service in 1871.

In a communication to the Baltimore *Underwriter* Colonel Nat Tyler pays a feeling tribute to his old-time friend and associate, Colonel Chauncey M. Ransom, in the course of which he says:

In private life he was charming—with a laugh "so genuine as to be infectious"; a *raconteur* with no superior, his friends were as numerous as his acquaintances, and every man held him in the highest esteem. In the thirty years of his active life in journalism, his advice and counsel have been taken in many of the most delicate matters connected with the administration of company affairs, and never in one instance was there a "leak" or a hint as to what had been said or done. He was extremely reticent where the affairs of others were concerned, and in that way he came to enjoy the confidence and respect of the companies and to be called into conference upon many important matters. In the cut and thrust of journalism he asked no favors, but he took no advantage, and did unto others as he would have others do unto him, so that the *Standard* holds a high place in the regard of its contemporaries, as well as in the favor of the companies. In a long and intimate acquaintance of more than thirty years, I know of many acts of kindness and help which he did for others and which attest the unselfish character of his friendship.

In their recent protest against the increase in rates, which is due to standing for the tariff rates rather than to the application of any new schedules, the implement jobbers of Council Bluffs, Ia., say that in eleven years the premiums in that place have been $880,000 and the losses $395,053, and, allowing 15 per cent. for commissions paid to agents, this leaves the companies a profit of $352,947. This is better than the average lay estimate, in that it does not figure the difference between premiums and losses as all profit. But the assumption that the 15 per cent. commission to agents is the only expense of the business, and that Iowa agents are satisfied with 15 per cent., is bad enough. The facts are that the expense of Iowa companies averages well above 50 per cent., and that of all companies is nearer 50 per cent. than 40.

The central field of the Provident Savings Life has been rearranged so that the portion comprising Southern Ohio, Western Kentucky and the States of Indiana and Tennessee will be under the direct supervision of the home office, operating through State and special agents. Indiana has been divided, the northern section to be managed by F. N. Arvin at Chicago and R. C. Jones at Valparaiso, Ind., and the central and southern section by P. M. Dill at Indianapolis. Tennessee will be in charge of Curtis J. Hebert at Nashville, and Western Kentucky of John W. Carter at Louisville. The company retains its central office at Cincinnati, with J. M. Griffith as special agent. James L. Topping has been appointed manager for Southern Ohio, with headquarters in the Union Trust Building, Cincinnati.

The Hartford *Times* says that, acting under instructions of the annual convention, the business literature committee of the National Association of Credit Men has recently been collecting from leading credit men throughout the country views showing the necessity of merchants, manufacturers and all interested in mercantile pursuits carrying fire insurance as an essential to credit. Quite a large amount of data on this subject has been received, which will early in the new year be issued in the form of a special pamphlet and sent broadcast throughout the country. There is but one opinion expressed by the various credit men. That is that credit should not be extended to a retailer or other merchant who does not fully protect his creditors by carrying a full line of insurance.

The trial of Newell C. Rathbun at Jeffersonville, Ind., for murdering Charles Goodman resulted in his conviction on Monday for manslaughter and his punishment was fixed at from two to fourteen years in the penitentiary, as the court may decide. A man was found dead in bed in a hotel at Jeffersonville last month. Rathbun, who was unknown in that place, and passed under another name, identified the body as his own, on which there was $1,000 life insurance, and it was shipped to his wife at Little Rock, Ark. It was discovered, however, that the body was that of a tramp named Charles Goodman, who had been seen in Rathbun's company. The latter, being arrested, made a confession of the plot to swindle the insurance company, but denied that he murdered Goodman.

A settlement was effected on Monday between ex-Superintendent Van Cleave and Thomas Bates, representing the fire insurance companies, from which were collected the excess taxes in 1900 and 1901, and on Tuesday Fred S. James, the chairman of the committee of the companies, received a check for $24,487.77. When the expenses are deducted, the balance will be divided among the companies in time to figure in their annual statements. The amount collected was $37,000, but part of this was on reinsurances, on which no return would be allowed, and part was return premiums on business done before July 1, 1899, when the law went into effect, and all this will be covered into the State treasury.

Reports are coming in rapidly to the National Association of Local Fire Insurance Agents in answer to its recent inquiries from representative agents in the cities as to the effects of multiple agencies. The majority are in favor of making some concessions in return for sole agencies, the only variation being in the amount of saving in expense that the companies could effect as a result of the change. The largest number fixes this at from 5 to 7½ per cent., but there are some—and good agents, too—who think it might eventually go as high as 10 per cent., counting all the improvements expected as a result of an elevation of the tone of the agency force.

At the annual meeting of the Underwriters' Association of the Middle Department, held in Philadelphia December 17, the following officers were elected for the ensuing year: Edward B. Creighton, president; Louis Wiederhold, Jr., first vice-president; Paul Turner, second vice-president; and E. R. Clemence, secretary and treasurer. Members of the executive committee elected for two years: F. W. Beates, J. Woods Brown and J. M. Woodroffe. The other members of the executive committee are R. C. Christopher, chairman; G. W. Kear, George Barley and Thomas C. Temple.

In the case of George Landusky, of Greeley, Pa., against Edward C. Beirne, of Port Jervis, N. Y., Justice Dickey, of the New York Supreme Court, has reserved for consideration the question whether an agent who places insurance for a client in a wildcat company is not responsible for the amount of the policy, if the wildcat fails to pay the loss. The agent, Beirne, in this case claims to have acted merely as broker for the assured, but the plaintiff testified that he promised to insure him in a "good, solid company."

A fire at 22 to 26 Reade street, New York, on Sunday afternoon destroyed the mechanical facilities of our esteemed con-

temporary, the *Insurance Press*. The production of the regular weekly issue of the paper was therefore attended by severe difficulties. But the editor and his force appear to have been equal to the emergency, for this week's issue is bigger than the average and quite the average in interest. We trust that our contemporary was fully insured. We know of an insurance paper that was twice burned out without a dollar of insurance coming to it. But that was long ago.

It is still denied at the United States branch office of the North British and Mercantile that it has made an application to re-enter Tennessee or that it has any intention of doing so. On the other hand, Commissioner Folk said to a Nashville *American* reporter on Saturday: "The company can, of course, do as it pleases about entering the State. So far as the insurance department is concerned, the embargo against it is lifted. It was my understanding with Mr. Bentley that the company would probably seek admission about the first of the next year."

It was learned on the Boston "street" yesterday that on January 1 the old established fire agency firm of Bullard & Davenport will be dissolved by the retirement therefrom of William E. Davenport, after an association of over ten years. It is understood that the business will be continued by the senior partner, Alfred M. Bullard, under the style of A. M. Bullard & Co., and that to the list of his agencies will be added that of the German Alliance insurance company, at present represented by Rogers & Howes, Boston managers of the German-American.

The prophets are busy with forecasts of next year's official staff of the New England Insurance Exchange, which holds its annual meeting on January 11. There is a general agreement that the presidency will go to G. A. Furness, of the Liverpool and London and Globe, and the chairmanship of the executive committee to Gayle T. Forbush, of the German-American. It is further predicted that C. B. Fowler, G. W. Eastman and C. D. Palmer are to be the vice-presidents of the Exchange.

The South Carolina Interstate and West Indian Exposition at Charleston is to have an "Insurance Day." It has been appointed for January 8, 1902, and on the same day the South Carolina Fire Insurance Agents' Association will hold its third annual meeting in Charleston. "Every insurance man, with his wife and children, is expected to come. A pleasant time is assured," say the officers of the association in making the announcement.

Demoralized conditions in Cincinnati have resulted in an increase in the number of deliberate non-boarders. Representatives of the German of Pittsburgh and the Concordia of Milwaukee have been looking over the situation, having been urged to get their agents into the board, and report that they believe it to be very much "to their advantage" to stay outside. F. J. Blain, who represents the Continental, will also stay out.

The message of Governor Odell to the New York Legislature will announce that the new indirect taxation laws have begun to put hundreds of thousands of dollars in the State Treasury. Those receipts have come from the law which taxes trust companies, and that taxing the surplus of savings banks, and at least $700,000 will be paid in by the law providing for the taxation of insurance companies, which will go into effect in June next.

The Masonic Benefit Association (assessment) of Hartford, Conn., has failed, and a receiver has been appointed to administer on the $6,000 of assets, which is all that is available to pay over $80,000 death claims. The living membership, largely composed of elderly men, is left without insurance. Only Master Masons were eligible to insurance. The concern has been in existence since 1874, and at one time had 2,000 members.

The Universal Casualty Company, with $100,000 capital and having its home office at Milwaukee, Wis., began business in Wisconsin on December 18. It succeeds the Universal Life and Accident insurance company of Duluth, Minn. Elwyn F. Larson, of Durand, is president and general manager, and V. A. M. Mortensen secretary. It is proposed to increase the capital stock to $200,000.

The indictments found at Chicago several months ago against John A. Hinsey, former head of the Endowment Rank of the Knights of Pythias, charging him with perjury in swearing to a false report of its condition to the insurance department, have been quashed by the court, because of discrepancies between the indictments and the affidavits upon which they were based.

A warning is uttered by Insurance Commissioner Chenault, of Kentucky, against a wildcat calling itself the Union Fire insurance company of Chicago, which is flooding the State with circulars offering alleged insurance at bargain counter rates, with tempting brokerages. Business is wanted chiefly by mail. Send along your premiums and get your policies in return!

At last Saturday's meeting of the New England Insurance Exchange it was voted to transfer horn and comb factories, which have been hitherto rated by schedule applied by the district committees, to the scheduled risks committee. This body has also been directed to order a sufficient advance in rates on this class of risks, while the schedules are being remodeled.

On January 1 the agency of Dickinson, Beardsley & Beardsley, fire underwriters, of Hartford, Conn., will change its firm name to the briefer style of Beardsley & Beardsley. The death of Gen. L. A. Dickinson, which occurred in January of the present year, left E. W. Beardsley and Clarence I. Beardsley sole surviving partners of the firm.

The attorneys for the fifty-nine fire insurance companies proceeded against at Topeka, Kan., under the anti-trust law, have been notified that the trials have been set for January. The Frank Thomas suits against the companies, growing out of the Topeka rate war, will come up after disposition has been made of the former.

A new fire insurance company, with $1,000,000 capital, is being organized at Montreal, Canada, by James P. Bamford, late chief agent of the Sun Insurance Office of London, and general agent of the American Fire, of New York, at Montreal. The name selected is that of the Royal Standard insurance company of Canada.

The Attorney-General of Indiana has taken an appeal to the Supreme Court of that State from the ruling of Judge Carter, of the Superior Court, who held that the State Auditor cannot make examinations of old charter companies, on the ground that the amendment to the law giving this right is unconstitutional.

The officers of the Germania Live Stock insurance company of Sioux Falls, S. Dak., whose charter was recently revoked by the insurance department for illegal practices, have disappeared.

The issue of the *Chronicle* for December 19 was devoted to the important subject of fire suppression. Contributions from

eminent experts and original articles with illustrations combined to make the number both useful and ornamental and a credit to the enterprising publishers.

THE Milwaukee Mechanics has discontinued its Ohio general agency under the management of L. E. Parsons, at Cleveland, and agents in that State will report to the home office direct after January 1. Mr. Parsons will continue as manager for Cuyahoga County.

ONE of the worst fires of the month in the West was in the Champion Coated Paper Works at Hamilton, Ohio, Monday morning, where the loss is estimated at considerably over $500,000. A stock of $250,000 worth of enameled book paper was destroyed.

THE leviathans were not ready to report, on application this week, estimates of the amounts of life insurance written by them respectively in 1901. But some promises are made for next week.

THE New York Insurance Department is making an examination of the North River, Citizens and United States Fire insurance companies and New Amsterdam Casualty Company.

THE intention of starting a fire insurance company is attributed to the president and some of the directors of the New York Plate Glass insurance company.

Personal

AGENCY APPOINTMENTS.

Colonial Fire of New York: Earl & Briggs, Taunton, Mass.

Eagle Fire, New York: August N. Coolidge, Worcester, Mass.; Thomas A. Atherly, Springfield, Mass.

Insurance Company of the County of Philadelphia: William S. Warriner, Springfield, Mass.

Liverpool and London and Globe: E. M. Schoen, special agent for Illinois.

Manchester Fire: George D. Capen & Co., sole agents for St. Louis, Mo., succeeding nine separate agencies.

Milwaukee Mechanics: H. E. Boning, special agent for Ohio.

Niagara Fire: W. J. Landers, of San Francisco, manager for the Pacific Coast.

Orient: E. M. Schoen, special agent for Illinois.

Phœnix Mutual Life: W. A. Waite and C. F. Arthur, Michigan State agents, succeeding A. H. Babcock, resigned.

South Atlantic Life of Richmond: J. D. Atkinson, A. J. Willford and J. L. Ramspeck, of Atlanta, managers for the State of Georgia. The first two have been connected with the Penn Mutual Life, and Mr. Ramspeck has been a special agent of the Ætna Life.

Mr. A. F. Dean, author, and assistant manager for the Western department of the Springfield Fire and Marine, who has been in the hospital at Chicago for two months, is able to be out and will return to his home before New Year's Day. Mr. Dean has just completed a third book, in which the genesis of tariffs is treated from the scientific point of view.

Vice-President James B. Pearson, of the Mutual Benefit Life insurance company of Newark, is reported to be contemplating retirement from office at an early date. He has been with the company since 1874 and vice-president since 1876, and recently passed his seventy-second birthday.

Mr. Augustus S. Parshley, insurance agent at Rochester, N. H., died there from consumption and heart disease December 19, aged sixty-one years. He is succeeded in his insurance business by his daughter, Miss Mary Parshley.

Mr. W. J. Selvage, an insurance agent at Portsmouth, Ohio, was shot and killed December 16 by Charles Baker, who alleged that the deceased was too attentive to Mrs. Baker, who was separated from her husband.

Mr. W. J. Frederick has been appointed manager of the Buffalo Board of Fire Underwriters. He is the well-known secretary of the Underwriters Association of the State of New York.

Mr. E. E. Raines, one of the Arkansas special agents for the North British and Mercantile and National Fire, has resigned to go with the general agency of Adams & Boyle at Little Rock.

Mr. Frank Bancroft, who has represented the Hall & Henshaw companies in Ohio, Indiana and Michigan, has been called to New York to take a place in the office of the firm here.

Mr. W. C. Richey, special agent of the American Central for Ohio, has resigned to engage in the local agency business in Cleveland.

Messrs. W. E. Rollo & Son, of Chicago, have resigned the Western general agency of the Firemen's of Baltimore.

Miscellany.

What Is "Total Loss" Under the Standard Policy?

The Minnesota Supreme Court has defined "total loss" under the standard fire insurance policy in the appealed case of the Northwestern Mutual Life insurance company against the Rochester German insurance company in the following opinion:

Under the standard fire insurance policy total loss is to be ascertained as of the date of the occurrence, and is determined by the following tests:

A building is not a total loss unless it has been so far destroyed by the fire that no substantial part or portions of it above the foundation remain in place capable of being safely utilized in restoring the building to the condition in which it was before the fire.

The words "total loss," when applied to a building, mean totally destroyed as a building—that is, that the walls, though some portion of them remain standing, are unsafe to use for the purpose of rebuilding and would have to be torn down and a new building erected throughout.

There can be no total loss of building so long as the remnant of the structure left standing above the foundation is reasonably and safely adapted for use (without being taken down), as a basis upon which to restore the building to the condition in which it was immediately before the fire, and whether it is so adapted depends upon the question whether a reasonably prudent owner of a building uninsured, desiring such a structure as the one in question was before the fire, would, in proceeding to restore the building, utilize such standing remnant as such basis; if he would, then the loss is not total. The rules apply, and it is held an error to refuse instructions in substance embodying these principles.

A cold storage plant was insured under the following descriptions: "Four story and basement brick building, with composition roof and a brick engine and boiler house attached, including steam heating and hoisting, steam, brine water and gas pipe fixtures, and all other permanent fixtures; occupied for warehouse purposes."

The engine house consisted of a small one story brick structure attached to the main building, and the whole considered and operated as an entirety. Held, conceding the engine house was but slightly damaged by the fire under the tests above given, the question on total loss must be applied to the structure as a whole.

The wall at one end of the building had been bolted to a similar one of an adjoining brick building, thereby making a double wall. Held, that as bearing upon the question of total loss, it was proper to show that the double wall remaining was not suitable to be utilized, in place, in restoring both buildings. In such case the insured could not claim the entire benefit of the remaining double wall. The evidence did not show conclusively that the loss was total.

Commissioner Dearth's Letter Concerning the Violation of the Minnesota Anti-Trust Law.

The following is a copy of the letter which Commissioner Dearth has addressed to the Minnesota general agents of two agency fire insurance companies, who directed their Winona representative to observe tariff rates and join the local board. In sending us this copy of his letter the commissioner has omitted from it names of the persons and companies concerned:

GENTLEMEN—I am in receipt of a communication from ——— of Winona, Minn., filing complaint to the effect that they are in receipt of a letter from your agency, written under date of 4th inst., making demand upon them, as the local agents of ——— and ———, to join the local board or "union," and thereafter to send all of their business through the office of said "union" or board, of which ——— is inspector, and further requiring them to cancel all business written at less than the tariff rates, and thereafter to write no business except at full tariff rates, as made by ———, the inspector or representative of the "union" at Winona.

I beg to advise that such a demand on the part of these companies, through your firm as general agents, is clearly in violation of the anti-trust law of the State of Minnesota. The Attorney-General of this State has already rendered an opinion

that said anti-trust laws cover the business of insurance, and that any combination, union or organization hereafter formed (meaning since the pasage of said act) for the purpose of fixing and maintaining definite rates by and between insurance companies, the effect of which is an interference with or frustration of free and open competition, is prohibited under the statute in question, and any attempt to force or coerce any individual or corporation into joining same would be clearly illegal.

While personally I fully appreciate the value and importance of a bureau or organization—the purpose and object of which is to ascertain or arrive at just and equitable rates at which insurance companies can safely carry a policy of insurance upon any particular class, or classes, of risks—still, under the anti-trust laws of this State, the members of such a bureau or organization would not be permitted to impose a penalty upon any individual or corporation in case they declined to join the same or for writing insurance at rates less than those fixed by such bureau or union.

Technically, it is a question whether an insurance corporation or individual, voluntarily joining such organization, under the rules or laws of which certain fixed rates must be maintained on all business written, would not be subject to the penalties provided under the anti-trust laws; but where an attempt is made to force or compel this step to be taken, on the part of an insurance company or any of its agents in this State, there appears to be no question whatever but what it would be a violation of said statute, thus incurring the penalties provided thereunder; therefore, in case you persist in your demands, thus forcing ——— to join said local union at Winona, I beg to advise that it will become my duty to request that you appear before this department and show cause, if any there be, why the licenses of the aforesaid respective companies, of which you are the general agents, should not be suspended or revoked in the State of Minnesota. Yours very truly,

(Signed.) ELMER H. DEARTH,
Insurance Commissioner.

Smallpox and Life Insurance.

(*The Insurance Herald.*)

The attention of the *Herald* was recently called to the fact that the policies of one of our life insurance companies contained a clause voiding the policy absolutely in case the insured died from smallpox, not having been successfully vaccinated. In view of the practice otherwise which many companies were known to maintain, and because the question is of general interest just now on account of the prevalence of the disease in some of the seaboard cities and a "smallpox scare" in Chicago, we addressed a note of inquiry to all the principal life insurance companies asking whether they inserted a smallpox clause in the policy, whether the question as to successful vaccination was in the application, and whether any discrimination was made as to localities.

We have received frank replies from twenty-four companies, one company dodging the questions asked. All of the companies answered the question of discrimination as to locality in the negative, excepting that two were more particular in accepting risks unvaccinated during the prevalence of a smallpox epidemic in any locality. Many of the oldest and strongest companies give the interesting information that with them either no deaths have for a long time resulted from the disease, or from two to half a dozen, and those where the insured was not vaccinated. Most of the companies do not consider the cause of death as relating to smallpox at all, but pay without question. Here is a record of replies to our inquiries:

Of the twenty-four companies replying seventeen have no condition or clause in the policy applying in any way to smallpox and ten have no question in the application as to vaccination, while fourteen make inquiry in some form. Of these, four agree to return to the insured, in case of death from smallpox where unvaccinated, the reserve on the policy, while one, under the same circumstances, returns the premiums paid. Two companies decline all persons not successfully vaccinated, while one has no fixed rule, but is governed by the circumstances of each particular case. Some companies require the medical examiner to report successful vaccination or otherwise, and if he so recommends, the application is held pending vaccination.

It will be seen from the above that all but seven of the companies referred to issue policies absolutely covering death from smallpox the same as from the grippe or diphtheria or scarlet fever, and of these only ten inquire in the application about vaccination, an equal number making the inquiry. The replies to our queries state in a majority of cases that formerly the smallpox clause, voiding for death where there had been no vaccination, was used; but that for periods varying from two to twenty years the clause had been eliminated, the special hazard from the disease having been found to be not worth considering. We understand that one company having the clause in its policies has arranged to discontinue it since sending us its reply.

"Profit" from Lapses.

(*The Life Insurance Independent.*)

A correspondent sends us a clipping from the Wichita *Daily Eagle*, purporting to be an interview with President Naftzger, of the Fourth National Bank of that city. Mr. Naftzger is one of the reorganizers of the "busted" Modern Tontines, and in his ideas he well illustrates the sublime ignorance in insurance matters of the average "up to date" fraternal man, even when he is a bank president. He thinks the old line companies make their money" out of the "fellows who take out policies, and, after paying for a few years, drop them." That it is "really to the interest of the company to have men drop out."

He ought to explain that idea to the companies. The strenuous efforts they are continually making to prevent lapses and to induce men who have dropped out to reinstate indicate that they are not so quick to perceive the financial benefits that accrue from that source as is a bank president. He does not know that the companies consist simply of the policy-holders, and that the immense wealth they are piling up is simply the aggregate of the accumulated savings belonging to these policy-holders, each one of whom may withdraw his portion in paid up or cash value when he chooses to quit. He does not know that a lapse in the earlier years is a dead loss to the remaining policy-holders, and that in the later years the surrender value allowed, taken in connection with the fact that it is the good risk that withdraws, thus creating a selection against the company, renders it doubtful whether, taking lapses and withdrawals as a whole, the profits from that source are ever equal to the losses. Mr. Naftzger belongs to that class of innocents to whom "bond investment" and "tontine savings" fakirs sell their gold bricks by picturing in gorgeous colors the profits to accrue from lapses.

Mr. Naftzger declares that life insurance agents are the "best fed men in the land." We'll give him a pointer right here. If he or any other man of good character wants a soft snap of that kind he can have it for the asking, of the first company to which he applies, and may ever thereafter live on the fat of the land.

Rumored Americanizing of Fire Insurance in Britain.

(*From the Insurance Record, London.*)

It will be generally admitted that the progressive character of our American friends is a matter not of opinion but of fact. How much of the comfort and convenience which tend to make smooth the path of life all the world over owes its origin to the genius and energy of our brethren on the opposite shore of the Atlantic it would take many a volume to narrate; and it would ill-become the old-fashioned European to attempt to depreciate it. For our part, we are inclined to think that, for example, the threatened advent of the railway boomster, with his considerate regard for the comforts of the public in the first place, is a matter upon which Londoners especially may well congratulate themselves. There may be, and doubtless there are, some American innovations which will not at the first blush commend themselves to our conservative habits of thought; but let John Bull only learn by experience that the new way is preferable to the old and the eventual disappearance of his prejudices may safely be predicted. The Americans are as quick to act as they are to think. This is a valuable quality in the man of business; and if our kinsmen can show us any way of improving our methods in any line—no matter what—we should be unwise, to say the least, if we failed to learn the lesson and act upon it.

Now, we should like to ask, is fire insurance one of those departments of commerce or finance with regard to which the American can teach us? The inquiry is suggested by a recent startling rumor, originating if we mistake not with some of our transatlantic contemporaries, to the effect that an American syndicate was coming over here with a view to annexing some of our venerable companies, running the fire insurance business on new lines, and, in fact, revolutionizing the entire system of fire underwriting. This seems to be a large order, calculated to take one's breath away, and deserving of Dominie Sampson's ejacu-

latory "Prodigious!" But cooler reflection suggested to the memory the well-known cookery book directions for cooking a hare, beginning, "First catch your hare." For, to the British mind, a foreign project for the wholesale acquisition of the United Kingdom would seem hardly more hopeless than the surrender of our great fire offices. But, assuming this difficulty overcome, in what way would an American syndicate improve upon our present system? Not that we would contend for a moment that that system is perfect. But we have always flattered ourselves that if there was one kind of business in the transaction of which we had left America and the rest of the world far behind, it was fire insurance. Statistics, if we cared to load our present comments with them, would fully bear us out in this assertion. Probably for one prosperous fire insurance company either in America or in Europe, we might be able to point to ten.

So far as fire insurance is concerned, therefore, it might be gently suggested to America to set her own house in order before she seeks to rearrange ours. Her fire underwriters have before them at home a problem beset with formidable difficulties. Small blame to them if they have not yet come within measurable distance of its solution. The fact does not suggest the absence of earnest effort; for some of the best brains engaged in American underwriting have been and continue to be applied to this task. And, if these efforts have as yet failed to show a comprehensive practical result, in one respect our friends "on the other side" have surpassed us. No serious effort has yet been made in this country to reduce fire underwriting to a scientific system; but it is otherwise in the United States, where some of the ablest men are, if one may venture to say so, groping in that direction. It is true that there are not a few differences of opinion with regard to the unraveling of the knot. The "Universal Mercantile Schedule," formulated by the Continental Fire some years ago, has doubtless a large number of adherents; but in some parts it is complained of as too complicated, and to this objection we would add our own impression that it is not so universally applicable as its title suggests. But we have no wish to labor the point. The schedule is as ingenious as its purpose is laudable; but there is no ignoring the fact that to-day there are some who regard it as not scientific enough. True, there are others who, curiously enough, repudiate classification as a basis for rating; while one writer goes so far as to suggest a uniform rate for all classes of risk. Both of these views must strike thinking men as hopelessly illogical. For our own part we are unable to conceive of any scientific system which does not take classification as its basis. Let us have a uniform scheme of classification, as minute and discriminative as possible. Let us then collate the figures, and, by so doing discover the appropriate rates. The actuary has done this for life insurance. Is there any reason why he should fail in the domain of fire insurance?

Mr. Hubble on Anti-Compact Laws.

Mr. John P. Hubble, general agent of the Western department of the Greenwich insurance company, talked to the Manufacturers' Association of Kansas City, Mo., at that place December 16 about the fire insurance situation in Missouri, and particularly in Kansas City. He made some clean-cut observations on anti-compact laws which are worth a wider circulation than they obtained where uttered. In the course of the address he said:

This brings us to the consideration of the so-called anti-trust or anti-compact law now in force in many Western States, and in its most drastic form in Missouri. We have tried to show that a monopoly of insurance business is impossible; that if the companies are permitted they will by combined experience make fair rates, because competition compels them to do so. There is another reason why this law should be repealed, and I have never yet heard or conceived of an answer to the proposition which I now lay down. As we have stated, fire insurance enters into the cost and selling price of every article of manufacture or commerce; it differs only in degree and amount, but not in principle, from the freight rate; and I never heard anyone deny the proposition that discrimination in freight rates is the weapon with which real trusts and monopolies crush competition. I quote from the Hon. W. J. Bryan, of Nebraska, who in a speech in Chicago used the following language: "It has been suggested that discrimination in railroad rates has aided the trusts. No question about it. If any man can secure from a railroad better rates than another man he will be able to run him out of business, and there is no question that discrimination and favoritism secured by one corporation against another have been largely instrumental in enabling a desired monopoly to become practically a complete monopoly. Now, that can be remedied by laws which will prevent this discrimination." The most violent opposition insurance interests have had in this city, and the strongest advocates of anti-compact laws in this and other States, have been and will be the representatives of the real trusts and monopolies. These gentlemen represent large interests, paying large premiums and thereby offering a large commision to the agent to assist in reducing their rate. Under the laws referred to the companies are powerless to resist their demands, and we see the rates upon this class of risks hammered down below the cost mark, and the deficit made up on the less powerful policy-holders. We have stringent laws, both State and national, prohibiting discrimination in railroad rates, while the converse of the proposition is applied to fire insurance. The only system by which rates can be equitably made and collected is through the local board, prohibited by anti-compact laws.

The local board is one of the most powerful agencies for enforcing proper building laws, for regulating the installation of electric wiring, for providing fire escapes on buildings, for supervision over water supply and fire departments, for the investigation of new systems of heating and lighting, and, while I would distinctly disclaim that philanthropy is the motive, yet I do say the effect of this supervision which is necessary to the existence of the companies is just as beneficial to the citizens, city and State, in the protection of life and property, as if philanthropy was the motive.

Has the anti-compact law reduced the rate? I say, no, and I speak by the card when I say that Kansas City is to-day paying the highest rate of premium she ever paid with no prospect of a reduction, but a certainty of an advance unless conditions change. That until risks are improved, and your water supply brought up to standard there can be no hope of reduction. I am not an alarmist, but I say to you that there is no city in the department over which I have supervision where the conflagration hazard is so imminent as in Kansas City. With one supply pipe to furnish the water for this whole city, with your splendid buildings, large areas filled with combustible stocks and resting upon the hills, there is not an hour in the day when you are not at the mercy of the fire fiend should there be a recurrence of a break in this main, which has happened so many times. We hear on every corner that competition is the life of trade, that each company should make its own rate, just as Mr. Barton or Mr. Bond makes a price on a pair of shoes which he manufactures. This is impossible, because Mr. Bond sells a pair of shoes, he gets the money, the shoes leave his store, and the transaction is closed. At the end of the year he takes an inventory, counts his cash, balances his books and knows exactly where he stands, while with our business we can never know, so long as a single policy has not expired, where we stand. If rates were made by rule of thumb instead of by a carefully and scientifically constructed schedule, charging for each defect in construction, occupancy and environment, and crediting for each improvement, this might be done. I doubt if there are three men not connected with our business within the sound of my voice, or in the whole city, who could properly, intelligently and equitably apply the schedule of rates to a packing house, and yet this rate must be so made, for if we get too little our capital and surplus must make up the deficit, and if we attempt to collect too much our competitors will get the business, and we will be left with the unprofitable classes. It requires experts to make rates and no company on earth could afford to make its rates at its own cost unless current rates be increased 50 per cent.

Our competitors who belong to no tariff association are very much given to crying monopoly and advertising the fact with gusto that they belong to no trusts, that they are the benefactors of the people. Let us see what the facts are. It is axiomatic that a company must have sufficient premiums to pay losses and expenses; these are inexorable and must come from the premium payer. The expense account makes or breaks a company. With a given policy, intelligent management and a volume sufficient to give an average, the loss ratio is fixed and determined within a limited range. Hence, the trade profit or loss is determined by the cost of transacting the business. The principal items of expense are commisions to local agents, which in 1900 averaged in the United States for all companies 20.31 per cent.; taxes, insurance department charges and mu-

(*Continued on page 360.*)

Life Insurance Payments.

The following is the report of the life insurance companies doing business in the United States to THE WEEKLY UNDERWRITER of the death claims and endowments paid by them during the month of November, 1901:

COMPANIES.	Death Claims.	Endowments.	Total Payments.
Ætna Life	$180,209	$137,634	$317,843
Connecticut General Life	14 063	3,000	17,063
Connecticut Mutual Life	248,855	24,450	273,305
Equitable Life, Des Moines	6,224	1,150	7,374
Equitable Life, New York	959,973	145,349	1,105,322
Germania Life	71 690	16,754	88,444
Home Life	67,213	17,788	85,001
*John Hancock Mutual Life	253,275	80	253,355
Manhattan Life	90,129	6,150	96,279
Maryland Life	12,418	.....	12,418
Massachusetts Mutual Life	203,202	40,136	243,338
*Metropolitan Life	822,472	.. ..	822,472
Michigan Mutual Life	30,487	15,620	46 107
Mutual Benefit Life	323,676	64,730	388,406
Mutual Life, Louisville	19,682	.....	19,682
Mutual Life, New York	1,465,197	308,188	1,773,385
National Life, U. S. A.	23,791	.....	23,791
National Life, Montpelier	83,913	8,000	91,913
Nederlands Life, U. S. Branch	11,185	.....	11,185
New York Life	.....	.....	.....
Northwestern Mutual Life	383 262	134,450	517,712
Pacific Mutual Life	32,027	.....	32,027
Penn Mutual Life	196,405	44,236	240,641
Phœnix Mutual Life	55,145	12,969	68,114
Provident Life and Trust	51,951	108,227	160,178
Provident Savings Life	59,490	.....	59,490
†Prudential	581,659	2,083	583,742
State Mutual Life	34,615	16,331	50,946
Travelers	126,178	26,230	152,408
Union Central Life	92,114	41,615	133,729
Union Mutual Life	23,501	12,720	36,221
United States Life	49,350	23,310	72,660
Washington Life	91,536	53,577	145,113
Totals	$6,664,887	$1,264,777	$7,929,664

* Partially industrial insurance. † Principally industrial insurance.

Payments Since Organization.

The following table shows the total amount reported paid on death claims and endowments, from their organization to October 31, 1901, inclusive, by the life insurance companies whose monthly lists are printed in THE WEEKLY UNDERWRITER:

Date of Organization.	COMPANIES.	Death Claims.	Endowments.	Total Payments.
1850	Ætna Life	$53,936,114	$23,484,915	$77,421,029
1865	Connecticut General Life	2,795,870	840,417	3,636,287
1846	Connecticut Mutual Life	109,729,463	15,421,489	125,150,952
1867	Equitable Life, Des Moines	816,088	228,523	1,044,611
1859	Equitable Life, New York	199,674,647	22,010,998	221,685,645
1860	Germania Life	25,321,916	8,080,179	33,402,095
1860	Home Life	11,884,494	2,724,164	14,608,658
1862	*John Hancock Mutual Life	23,867,298	1,870,214	25,737,512
1850	Manhattan Life	29,584,075	2,991,700	32,575,775
1864	Maryland Life	2,473,003	185,884	2,658,887
1851	Massachusetts Mutual Life	21,819,961	3,615,221	25,435,182
1867	*Metropolitan Life	95,300,074	554,716	95,854,790
1867	Michigan Mutual Life	5,029,710	2,927,665	7,957,375
1845	Mutual Benefit Life	94,579,584	8,907,842	103,487,426
1866	Mutual Life, Louisville	3,625,701	295,932	3,921,633
1843	Mutual Life, New York	249,341,594	60,460,182	309,801,776
1868	National Life, U. S. A.	4,390,079	344,772	4,734,851
1850	National Life, Montpelier	10,730,550	1,258,926	11,989,476
1893	Nederlands Life (U. S. Branch)	1,021,745	.....	1,021,745
1845	New York Life	161,333,871	10,608,596	171,942,467
1857	Northwestern Mutual Life	60,004,536	14,767,406	74,771,942
1868	Pacific Mutual Life	4,826,584	1,134,837	5,961,421
1847	Penn Mutual Life	29,917,620	4,818,797	34,736,417
1851	Phœnix Mutual Life	22,397,968	4,716,121	27,114,089
1865	Provident Life and Trust	16,506,178	9,474,820	25,980,998
1875	Provident Savings Life	15 069,665	7,748	15 077,413
1876	†Prudential	53,131,889	69,700	53,201,589
1845	State Mutual Life	9 860,360	2,033,568	11,893,928
1866	Travelers	13,257,440	4,945,680	18 203,120
1867	Union Central Life	9,904,485	2,295,254	12,199,739
1849	Union Mutual Life	16,312,643	5,477,637	21,790,280
1850	United States Life	14,356,210	1,862,854	16,219,064
1860	Washington Life	17,917,369	6,195,692	24,113,061
	Totals	$1,390,718,784	$224,612,449	$1,615,331,233

* Partially industrial insurance. † Principally industrial insurance.

(*Continued from page* 359.)

nicipal licenses, 3.21 per cent.; special agents' salaries and expenses, 6 per cent.; total of these three items, which is spent in the State in which the business is transacted, is 29.52 per cent.; the total salaries, office rent, printing and all expenses of management average 9.90 per cent.; total, 38.42 per cent. This is too high, and has attracted the best thought in the business to devise means of reducing it. You will understand this when I tell you that in the ten years from 1860 to 1870 the average expense of conducting the business was 31.06 per cent., showing, instead of a decrease, a gain of 7.36 per cent. But a closer inspection develops that this is more than made up in the item of taxes and commissions. The average commission for the ten years of 1860 to 1870 was 11.32 per cent., showing an increase of 9.99 per cent., almost double, and showing a decrease for management expenses of 5.84 per cent. You ask why this increase; it is explained in the word "competition." We find the so-called non-board companies buying our business from the agent, and we have been forced to meet them or lose the business. Another result of the anti-compact law. It is absolutely necessary, in order that fire insurance business may be conducted at the lowest expense, that companies be permitted to agree upon commissions and rates, because there will always be sufficient competition to prevent a monopoly. To illustrate: There are four trunk lines of railroads carrying passengers from this city to St. Louis. If there is a dollar's difference in the fare the road offering the lowest fare will carry practically all the people. Hence, the lowest rate is the prevailing rate. Suppose the Wabash and Chicago and Alton railroads had a common agent in Kansas City selling tickets to St. Louis; that the Wabash allowed 25 per cent. commission on the tickets sold and the Chicago and Alton only 15 per cent. Both are standard roads, equipment and time practically the same; which road would do the St. Louis business? You gentlemen are interested in assisting us in placing our policies at the lowest possible cost; you have to pay this expense.

Northern Assurance Company,
OF LONDON, ENGLAND.
EASTERN AND SOUTHERN DEPARTMENTS,
38 PINE STREET, NEW YORK.
GEORGE W. BABB, JR., Manager. T. A. RALSTON, Sub-Manager.

State Mutual Life Assurance Co.,
OF WORCESTER, MASS.
A. G. BULLOCK, President.
Incorporated 1844.
Issues policies, incontestable after two years, protected by the Non-Forfeiture Law of Massachusetts. Yearly dividends.
Assets $17,754,046
Liabilities 15,889 512
Surplus January 1, 1901 ..... $1,864,534
C. W. ANDERSON, General Agent, 189 BROADWAY, NEW YORK.

COMMERCIAL UNION ASSURANCE CO.
LIMITED,
OF LONDON.
OFFICE:
Cor. Pine & William Sts., New York.

INCORPORATED 1851.
The Berkshire Life Insurance Co.
OF PITTSFIELD, Mass.
All Policies issued by the Company are subject to the Massachusetts Non-Forfeiture Law.
WM. R. PLUNKETT, President.
JAS. M. BARKER, Vice-Pres. JAS. W. HULL, Sec'y and Treas.
Agencies in all the principal cities of the United States.

H. L. PALMER, Pres't.
J. W. SKINNER, Sec'y.

THE

ORGANIZED 1857.

Northwestern Mutual Life Ins. Co.

PURELY MUTUAL AND TRANSACTS BUSINESS ONLY IN THE UNITED STATES.

LOW MORTALITY. & ECONOMICAL MANAGEMENT

STATEMENT, JANUARY 1st, 1901.

Assets	$139,512,166
Liabilities, including $23,360,346 approximate surplus accumulations held to meet tontine and semi-tontine contracts	133,945,513
General Surplus	$ 5,566,653
Income during 1900	$ 27,160,804
Insurance Written during 1900*	$ 65,345,814
Insurance Gained during 1900*	42,552,954
Insurance in Force*	529,647,290

* Including only business actually paid for.

NO REBATING PERMITTED.

BEST RESULTS TO POLICY-HOLDERS. MOST ATTRACTIVE POLICIES.

Business Accepted Only From Regular Agents of the Company.

For Further Information, or an Agency, address:

WILLARD MERRILL, Vice Pres't and Sup't of Agencies, Milwaukee, Wis.

Phœnix Mutual Life Insurance Co.

OF HARTFORD, CONN.

ORGANIZED IN 1851.

Assets, January 1, 1901	$13,278,711.73
Surplus at Four per cent	564,656.73

Total Paid Policy-holders over
—$42,500,000—

ACTIVE AND INTELLIGENT MEN WANTED AS AGENTS, with whom liberal contracts will be made. Desirable territory now open.

The new plans of the Company are brief, clear and liberal. Life and Endowment Policies have endorsed upon them definite cash, loan, and paid-up values, and in case of lapse, insurance is extended without action on the part of the insured.

J. B. BUNCE, President. J. M. HOLCOMBE, Vice-President.
C. H. LAWRENCE, Secretary.
New York Office: Weed & Kennedy, Managers, 149 Broadway.

The Preferred Accident Insurance Co.

OF NEW YORK.

Accident Policies. Health Policies.

Large Benefits, Low Rates, Best Commissions.

December 31, 1899:

Assets,	$779,385.45
Surplus,	365,124.30

KIMBALL C. ATWOOD, Sec'y, 290 Broadway, NEW YORK.

North British & Mercantile

INSURANCE COMPANY,

OF LONDON AND EDINBURGH.

Established 1809.

OFFICE:

76 WILLIAM STREET,

NEW YORK CITY.

Established 1782.

Phœnix Assurance Company,

OF LONDON.

Fire Insurance Only. Losses Paid over $100,000,000.
Head Office for the United States, 37 Liberty St., N. Y.
A. D. IRVING, Manager. E. B CLARK, Asst. Manager.
LOUIS P. BAYARD, 2d Asst. Manager.

THERE ARE FEATURES IN THE FIFTY-THIRD ANNUAL REPORT OF

The Penn Mutual Life Insurance Company

Of interest to all engaged in life insurance work.
A copy on request.

THE PENN MUTUAL LIFE INSURANCE COMPANY,

921-925 CHESTNUT STREET, - PHILADELPHIA.

When Working for The Mutual Life...

You needn't introduce the Company—the Company introduces you. There you have it. You needn't take a minute or a word to prove where The Mutual stands or what it stands for. The whole world knows its masterful leadership—just as you know it yourself. But there are some things you may not know.

DO YOU KNOW

That **The Mutual Life** is especially helpful to agents?
That **The Mutual Life** writes the most liberal policies?
That **The Mutual Life** gives the highest guarantees?
That **The Mutual Life** has policies that meet every requirement of investment as well as of protection?

Look into these things. Take no one's say so, but investigate.

The Mutual Life Insurance Company

OF NEW YORK,

RICHARD A. McCURDY, President.

IT IS THE LARGEST FINANCIAL INSTITUTION IN THE WORLD.

Income in 1900, - - - $60,582,802.31
Assets January 1, 1901, - - $325,753,152.51

It has room for workers who are not rebaters. Address

GEORGE T. DEXTER,
Superintendent of Domestic Agencies,
NEW YORK.

1825. THE 1901.
Pennsylvania Fire Insurance Co.

OF PHILADELPHIA.

Cash Capital,	$400,000.00
Re-insurance and all Liabilities,	2,771,038.56
Surplus,	2,163,883.97
Total January 1, 1901,	$5,334,922.53

R. DALE BENSON, Prest. W. GARDNER CROWELL, Sec.
JOHN L. THOMSON, Vice-Prest. CHARLES W. MERRILL, Asst. Sec.
WM. J. DAWSON, Sec. of Agency Department.

HANOVER

Agencies in all the Principal Places in the United States.

Fire Insurance Company OF NEW YORK.

Caledonian Ins. Co., of Scotland.

FOUNDED 1805.

"The Oldest Scottish Insurance Office."

United States Head Office, 27-29 Pine Street, New York City.

STATEMENT JANUARY 1, 1901.

Assets	$1,910,617.66
Liabilities	1,101,382.62
Net Surplus in the United States	$809,235.04

CHARLES H. POST, U. S. Mgr. N. A. McNEIL, Ass't U. S. Mgr.

The Lancashire Insurance Company

OF MANCHESTER, ENG.

MILTON DARGAN, Manager,

25 Pine Street, NEW YORK.

The Massachusetts Mutual Life Insurance Company,

INCORPORATED 1851.

SPRINGFIELD, MASS.

ASSETS—January 1, 1901	$26,245,622.04
LIABILITIES	23,920,986 53
SURPLUS	2,324,635.51

Definite Paid-up and Cash Surrender Values written in every Policy.

JOHN A. HALL, President. HENRY M. PHILLIPS, Secretary.

New York Office: Empire Building, 71 Broadway.
GEORGE J. WIGHT, Manager.

National Life Insurance Company of Vermont.

J. C. HOUGHTON, President.
JOS. A. DE BOER, Vice-President.
O. D. CLARK, Secretary.

THIS COMPANY HAS GAINED IN THE LAST DECADE,

In Assets,	$12,275,109.34, or 160.96 per cent.
In surplus,	1,089,332.69, or 119.47 per cent.
In insurance,	48,102,491.00, or 93.64 per cent.

Sells the Most Modern, Profit-Sharing, Non-Forfeitable Contracts of Life, Term, Endowment and Annuity Insurance. Correspondence from interested parties promptly recognized. Good agency contracts for reliable men.

J. F. MAKLEY, General Manager,
149 Broadway, New York.

1850. THE 1901

United States Life Ins. Co.

IN THE CITY OF NEW YORK.

GEORGE H. BURFORD, President.

FINANCE COMMITTEE.

GEO. G. WILLIAMS, . . . *President Chemical National Bank*
JOHN J. TUCKER, ... *Builder*
E. H. PERKINS, JR., *President Importers' and Traders' National Bank*
JAMES R. PLUM, ... *Leather*

Active and successful Agents who desire to make Direct Contracts with this well-established and progressive Company, thereby securing for themselves not only an immediate return for their work, but also an increasing annual income commensurate with their success, are invited to communicate with RICHARD E. COCHRAN, 3d Vice-President, at the Company's Office, 277 Broadway, New York City.

Assets over $8,000,000. Insurance in Force, over $40,000,000

Provident Savings Life Assurance Society

OF NEW YORK.

EDWARD W. SCOTT, PRESIDENT.

THE BEST COMPANY FOR POLICY HOLDERS AND AGENTS.

SUCCESSFUL AGENTS, AND GENTLEMEN SEEKING REMUNERATIVE BUSINESS CONNECTIONS, MAY APPLY TO THE HEAD OFFICE, OR ANY OF THE SOCIETY'S GENERAL AGENTS.

Provident Life and Trust Co.

OF PHILADELPHIA.

The best in Life Insurance is likely to be the cheapest. The same fidelity, skill and care which are necessary to guarantee the future security of a company result in the lowest cost. A good test, therefore, is to determine whether the organization and the surroundings of a company exclude all doubt as to future security. In determining this the question of cost is determined also. **THE PROVIDENT LIFE AND TRUST COMPANY** invites inquiry as to its organization and the provisions for safety afforded. For the full period of its existence the death rate has been only .614 of the rate indicated by the authoritative tables.

The Union Insurance Company

OF PHILADELPHIA.

CAPITAL, - - - $200,000

STATEMENT, JANUARY 1, 1901.

Bonds, Bank and other Stocks, Market Value,	$279,180
First Mortgages on City Property and Demand Loans,	9,900
Real Estate, unincumbered, owned by the Company,	160,080
Premiums in course of collection, Interest due Company and Cash in Banks and Office,	96,032
Total Assets,	$545,120

LIABILITIES.

Reserve for Reinsurance and other Liabilities,	$239,933
Reserve for Losses under Adjustment,	33,915
Other Liabilities,	15,735
Surplus to Policy-holders,	255,537
	$545,120

Losses paid since organization, $17,874,556.

CHAS. S. HOLLINGSHEAD, President.

E. R. DANNELS, Secretary. M. JOS. NOWLAN, Assistant Secretary.

Instituted in Reign of Queen Anne, A. D. 1714.

Union Assurance Society of London

No Overhead Writing

No Dual Agencies.

Loyalty to Local Agents.

United States Offices: Society's Building,

35 Pine Street, New York, ... Hall & Henshaw, Managers
171 La Salle Street, Chicago, . . . Hall & Henshaw, Managers
35 Kilby Street, Boston, . . Hall, Henshaw & Gilmour, Managers
English-American Building, Atlanta, Ga., . George N. Hurt, Manager
Mining Exchange Building, Denver, Col., Gerald L. Schuyler, Manager

ORDINARY and INDUSTRIAL PROFIT SHARING POLICIES.

EXCEPTIONAL ADVANTAGES TO

..... Active Agents.

WRITE TO

THE PRUDENTIAL INSURANCE CO. OF AMERICA

JOHN F. DRYDEN, President. Home Office: NEWARK, N. J.

The Mutual Benefit Life Insurance Co.

NEWARK, N. J.

AMZI DODD, - - PRESIDENT.

ASSETS (Market Values) Jan. 1, 1901	$74,311,468.25
LIABILITIES, N. J. and N. Y. Standard	68,186,103.34
SURPLUS	6,125,364.91

MUTUAL BENEFIT POLICIES

—CONTAIN—

Special and Peculiar Advantages

WHICH ARE NOT COMBINED IN THE

POLICIES OF ANY OTHER COMPANY.

German American Insurance Company New York

29th ANNUAL STATEMENT, JANUARY 1st, 1901.

Cash Capital,	$1,000,000.00
Reserve for all Liabilities,	3,408,569.64
Net Surplus,	4,267,711.70
TOTAL ASSETS,	$8,676,281.34

1846—1901.

THE CONNECTICUT MUTUAL LIFE

Insurance Company.

WHERE THE CONNECTICUT MUTUAL STANDS.

During all the long struggle out of which this situation has developed, and amid the many schemes devised to attract public attention and favor to something else than life insurance, the attitude and position of the Connecticut Mutual have never been doubtful.

It has held to the cardinal facts: Life insurance is for the protection of those dependent on a man's life; their dependence makes it his unavoidable duty. Those dependents we assume to protect by our contract, at his personal cost; our duty to them is to make that protection as large, as secure, and as certainly available to them as possible; our duty to him is to make its cost to him as small as possible.

JACOB L. GREENE, President. HERBERT H. WHITE, Secretary.
JOHN M. TAYLOR, Vice-President. DANIEL H. WELLS, Actuary.

The Metropolitan Life Insurance Co.

(INCORPORATED BY THE STATE OF NEW YORK.)

"The Leading Industrial Insurance Company of America,"

IS REPRESENTED IN ALL THE PRINCIPAL CITIES OF THE UNITED STATES AND IN CANADA. THE PAYMENT OF OVER 250 DEATH CLAIMS DAILY TELLS OF THE GOOD IT DOES. INSURANCE IN FORCE OF OVER $900,000,000 ATTESTS ITS GREATNESS AND FAVOR WITH THE PUBLIC.

Permanent, Profitable and Progressive Employment.

AGENTS WANTED—Any honest, capable, industrious man, who is willing to begin at the bottom and acquire a complete knowledge of the details of the business by diligent study and practical experience can, by demonstrating his capacity, establish his claim to the highest position in the field. It is within his certain reach. The opportunities for merited advancement are unlimited. All needed explanations will be furnished upon application to the company's superintendents in any of the principal cities, or to the Home Office, No. 1 Madison Avenue, New York City.

JOHN R. HEGEMAN, President.

HALEY FISKE, Vice-President. GEORGE H. GASTON, Second Vice-President. GEORGE B. WOODWARD, Secretary. J. J. THOMPSON, Cashier and Assistant Secretary. JAMES M. CRAIG, Actuary. JAMES S. ROBERTS, Assistant Secretary. STEWART L. WOODFORD, Counsel. THOS. H. WILLARD, Medical Director. A. S. KNIGHT, Assistant Medical Director.

Insurance Co. of North America,

232 WALNUT STREET, PHILADELPHIA.

FOUNDED 1792.

Assets, January 1, 1901		$9,583,791
LIABILITIES—Reserved for Reinsurance and all other claims	$4,805,254	
Capital Stock	3,000,000	
Surplus over all Liabilities	1,778,537	$9,583,791

Agents in all the principal towns and cities.

CHARLES PLATT, President. EUGENE L. ELLISON, Vice-President.
GREVILLE E. FRYER, Secretary and Treasurer. BENJAMIN RUSH, Second Vice-President.
T. HOUARD WRIGHT, Marine Secretary. JOHN B. ATWOOD, Assistant Secretary.

Offices in New York. Fire, William and Pine Sts.; Marine, 63 Wall St.

THE

Canada Life Assurance Company

OF TORONTO.

Organized 1847.

Hon. Geo. A. Cox, - - President.

This old established Company has recently entered the State of New York with new and attractive forms of POLICIES and BONDS, all payable in GOLD.

Liberal BROKERAGE and renewal commissions paid.

ADDRESS

J. A. BUCKNELL,

Manager Eastern New York. 47 Cedar St., New York.

ÆTNA

LIFE INSURANCE CO.

MORGAN G. BULKELEY, PRESIDENT

Largest Company in the World doing Life, Accident and Health business

ASSETS, OVER . . . $56,000,000.

MOWRY and PATTERSON, Managers Life Department.
GEORGE C. STERLING, Manager Accident Department.

Continental Building, 46 Cedar Street, NEW YORK CITY.

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